

Poll Q1

What is the most common composition of external advisors on an advisory board?

2023-2025

State of the Market

Chartered Accountants Worldwide
Network USA

advisoryboardcentre.com



OUR PURPOSE

Collectively, we raise the standard of the global advisory sector – driving value for professionals and the organisations they serve.

Global
professional
body

31
countries

650
members of
our advisory
community

Supporting
1,000's
businesses,
governments
& multi-
nationals

Research,
education,
**professional
development**
& advocacy





2023 Status

When giants of industry Korn Ferry and Financial Times refer to our research and reporting that advisory boards are the "Hot New Governance Trend", and regulations have been introduced for the first time, it's time for speed.

“Advisory boards: the hot new governance trend.”



“Smaller boards will become the norm.”

FINANCIAL TIMES





Australian Institute of Company Directors

1st November 2024

Why advisory boards are on the rise

More Australian organisations are appointing advisory boards to help them explore complex risks and opportunities and to provide guidance and knowledge to their management or board members. The rise in advisory boards locally is in line with a global trend, driven in part by the shrinking size of statutory boards and a concurrent increase in the issues they must confront, which experts say include ESG, digital transformation and AI.



Executive Summary

MEGA TRENDS

PROFESSIONAL SNAPSHOT

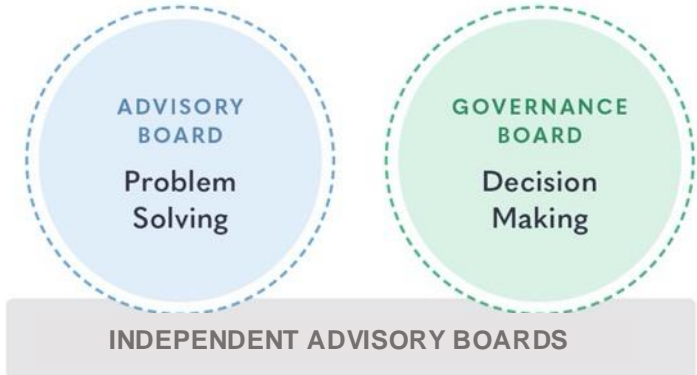
INFORMATION MARKET TRENDS

PROFESSIONALISATION TRENDS



MEGATREND

#1 GOVERNANCE SYSTEMS



The Governance Dilemma

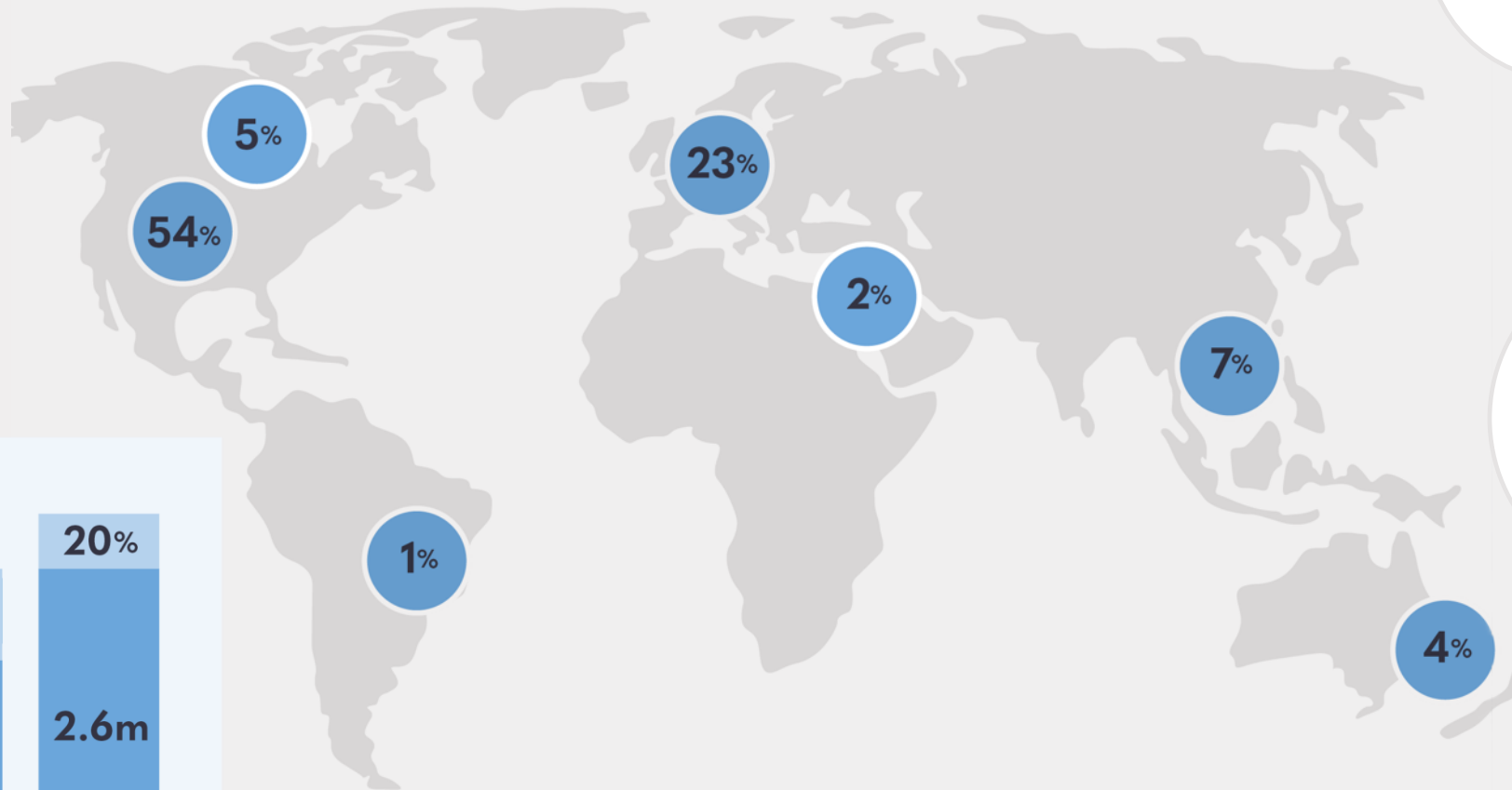




PROFESSIONAL SNAPSHOT



ACTIVE ADVISORS



2.6m

active advisors

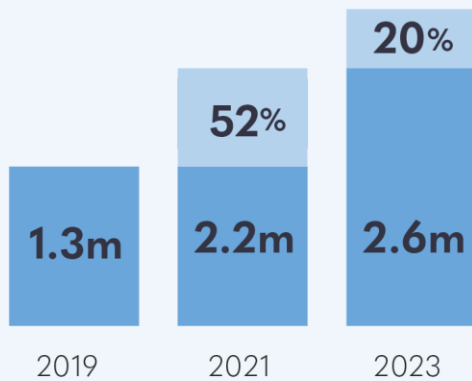
880k

advisory boards globally

20%

increase in advisory boards since 2021

GROWTH TREND



Professionals

ADVISORY FIRM
PROFESSIONAL

A

PORTFOLIO
PROFESSIONAL

B

TRANSITION
PROFESSIONAL

C

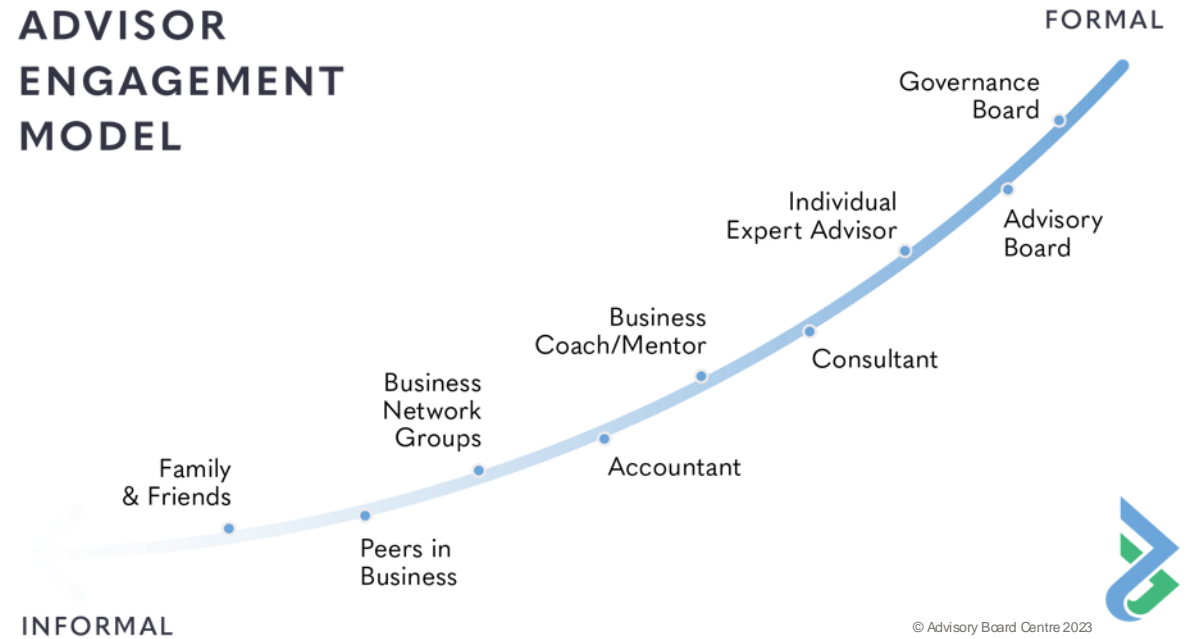
INTERNAL CHAIR
& ADVISORY BOARD
MANAGER

D



Advisor Landscape

ADVISOR ENGAGEMENT MODEL



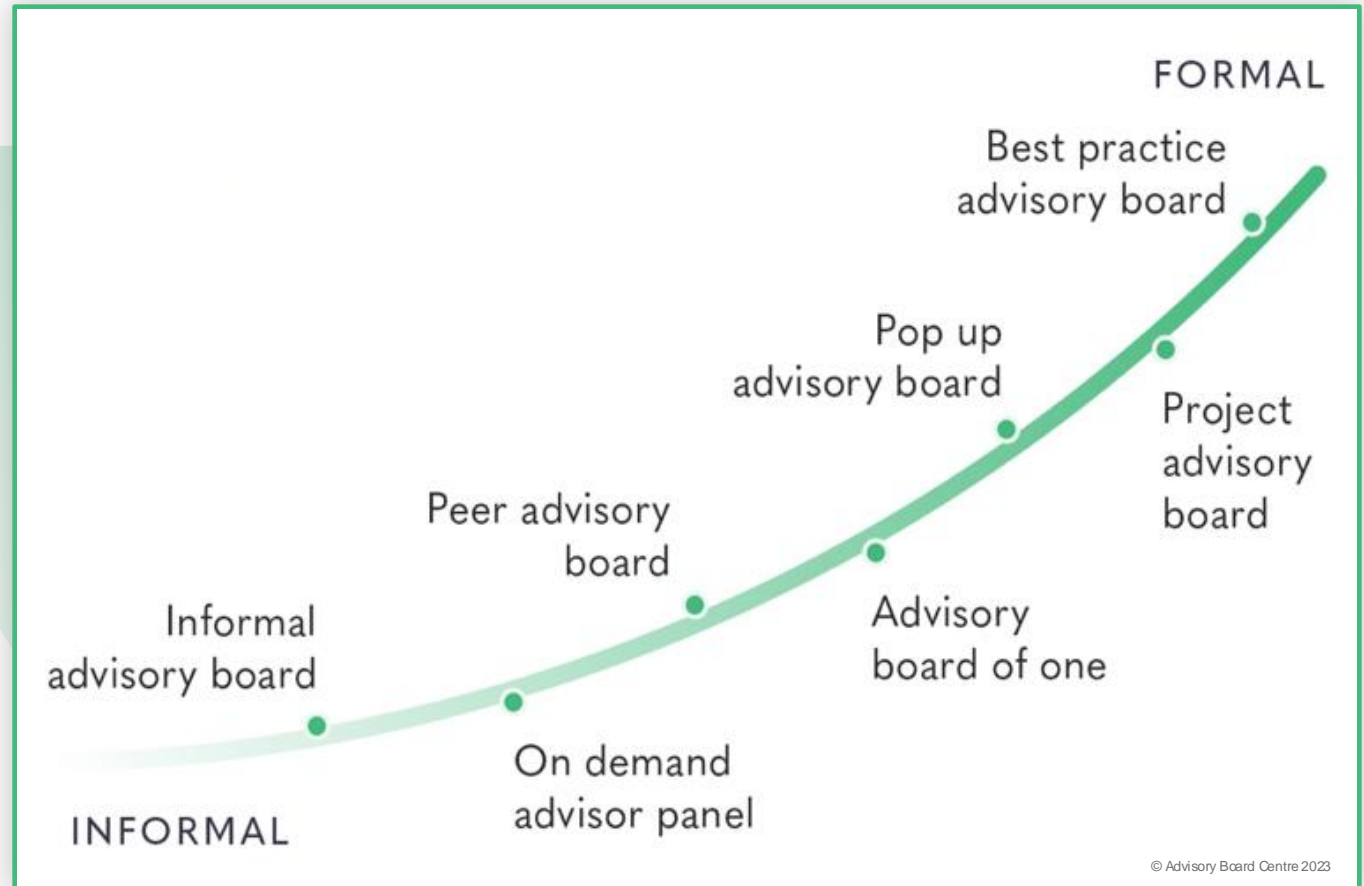
Fit for Purpose Advisory Boards

ADVISOR ENGAGEMENT MODEL



Common Terms:

- Advisory Council
- Advisor Panel
- Steering Committee
- Committee
- Reference Group
- Board of Advice
- Project Board
- Think tank



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A person is sitting at a wooden desk in a modern office environment. They are wearing a light blue cardigan over a white t-shirt. Their left hand is on a laptop keyboard, and their right hand is holding a pen over a tablet. In the foreground, there is an open notebook. On the desk, there are also several small potted plants and a pen holder. The background is slightly blurred, showing other people and office furniture.

MARKET TRENDS

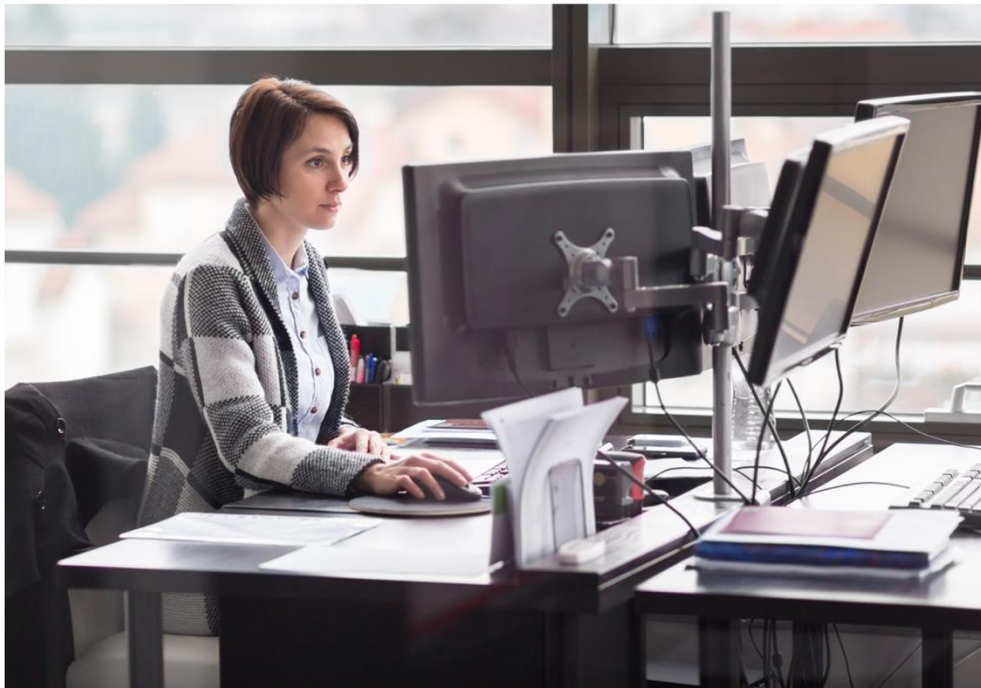




TREND 1

Emerging

PRE-REVENUE \$1.5M



29%
of advisory board
appointments

45%
volatility rate



Poll Q2

Which of these is NOT an ABF101:
Advisory Board Best Practice
Framework



TREND 2

Business \$1.5M - \$100M

90% Positive Impact:

15% Fin Results

30% Decision Making Confidence

Data Sample: 400 SMEs

COMMON STRUCTURES



Two internal directors

Independent chair



Two external advisors

\$1.5m

Most common advisory board starting point

\$20m

Average size of business with an advisory board

\$40-70k

For paid roles, annual investment in monthly meetings with chair and quarterly with full board



The Governance Dilemma

Governance
Board Directors



A Bigger Agenda

Board Constraints

THE SOLUTION?

- Work harder
- Longer meetings
- Consultants
- Specialist employees
- More directors
- Committees
- Advisory boards
- Other





Governance System

53%



ESG

Change /
Transformation

Customer

Cybersecurity

Diversity & Inclusion

Ethics

Innovation

International Markets

Mergers & Acquisitions

Next Generation

Supply Chain

Sustainability

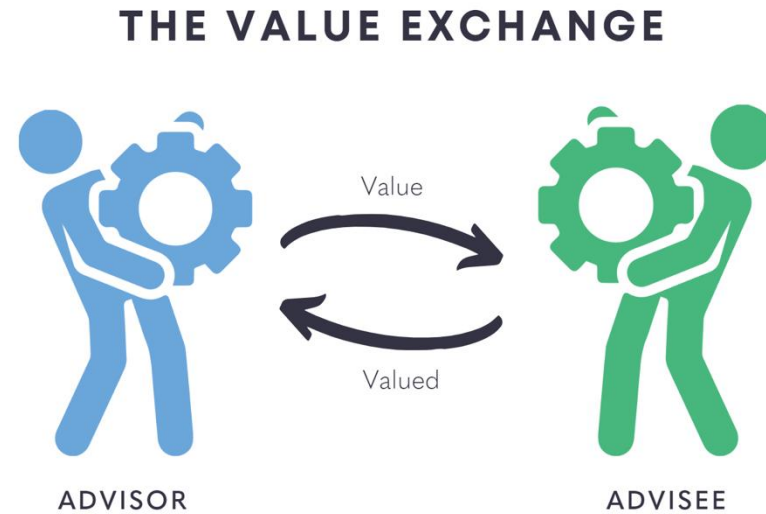
New Wave

Stakeholder Engagement

Family Business / Office

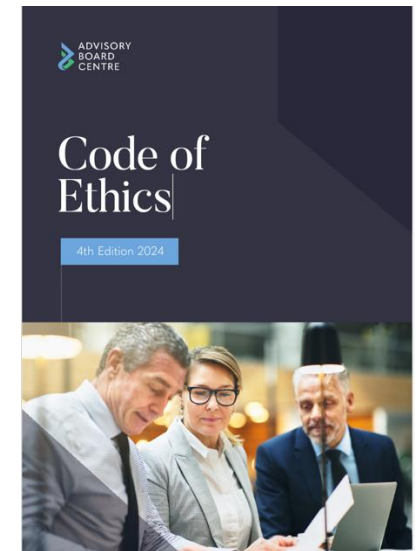


TRUST & CONFIDENCE



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Best Practice & Ethics Matter



Poll Q3

Are you currently on an advisory board?
Framework

A woman wearing a brown hijab and a brown blazer is sitting at a desk, looking at a laptop. She has her hand near her chin, appearing thoughtful. Next to her, a woman with long dark hair wearing a white sweater is also looking at the laptop. In the background, a man in a white shirt is partially visible, standing. The scene is set in a modern office with a large potted plant on the left and a window in the background. The text "Future Trends for the Profession" is overlaid in the center in a large, white, sans-serif font.

Future Trends for the Profession



Professionals

ADVISORY FIRM
PROFESSIONAL

A

PORTFOLIO
PROFESSIONAL

B

TRANSITION
PROFESSIONAL

C

INTERNAL CHAIR
& ADVISORY BOARD
MANAGER

D



Poll Q4

Is an advisory board a decision making model? ?Framework

Best Practice & Ethics Matter



Sandra Gamble
(Chair)



Romy McLean



Dr Michael Drew



Eduardo Esteva



Dr Cris Parker



Jane Beaumont



Stephane Benoist



Prof Abdullah Al-Bargi



Isabella Loh



Stuart Allinson (Hon)



Living Research
Participation





2025 Status

When industry and government are calling for independence in the democratisation of advice, ethics and best practice matters for the profession.

“Advisory boards: the hot new leadership trend.”

“Demonstratable independence will become the norm.”



Poll Q5

Are you enjoying this
webinar?model? ?Framework



Thank you

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