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The Business and Management Advisors

Advisory Groups: Your Unofficial 'Board of Directors' Resource

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When it comes to running a successful printing business in today's complicated and rapidly changing world, no one can know it all and do it all by himself or herself. Technology has tied printing – like every other business – to a more global economy where it is just as imperative to stay abreast of new management concepts and marketing techniques as it is to track product development issues in the graphic arts industry. Your business -- and the graphic arts industry as a whole -- can't operate in a vacuum in this brave new world of technology and communication. If you allow your perspective to be confined only to what's happening in the printing industry, you may miss valuable opportunities and ideas to expand your services or take advantage of economic trends.

Traditionally, businesses have often turned to a legal body in the form of a Board of Directors for a broader range of advice and expertise when making important decisions and setting goals. Many professionals

today fear malfeasance and are hesitant to serve in such a legal capacity, however. That's where an Advisory Group – an unofficial "Board of Directors" – can be a very beneficial alternative.

Like a Peer Group, an Advisory Group is an informal meeting of carefully selected individuals who gather on a regular basis (usually one to four times per year) to discuss your business and its needs. Unlike a Peer Group, however, your Advisory Group is not necessarily printing oriented. Indeed, the most effective Advisory Groups often have representation from a variety of disciplines. One printer chose to include a Marketing executive, an HR specialist, a CPA/Business Consultant, and one or two members of his management team in his Advisory Group. His choices were based on an assessment of his company's challenge areas, , as well as the depth of experience and expertise of each person he tapped for the Group. He also tapped people from
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his own pool of acquaintances – people he already knew, trusted, respected, and who had proven track records in their own fields.

Unlike a Peer Group, your Advisory Group of four to six people operates as your informal Board of Directors, focusing solely on your business – its profits, growth, goals, diversification of services, human and other resource management, etc. Leaders in their own fields, the Group members bring valuable management perspectives to the table, helping you operate your company not only in the printing world, but in the greater national or global economy. Members of your Advisory Board may have no direct relationship to your business and nothing to gain from its operation, so their input is thoughtful, unbiased, and “outside the box” of traditional printing company approaches. Some Groups receive a nominal fee for their services, while others are totally voluntary. In either case, appropriate expenses should be covered for the Group members in recognition of their time and contributions.

So how do you know what expertise is best for your Advisory Group? And

where do you find the committed “experts” to fulfill those needs?

First, assess your management style and your staff. What are the areas where you feel you have knowledge gaps, or constantly struggle to improve? Those are the areas where a knowledgeable Advisory Group member would be a real asset.

Second, focus on your goals and where you want to go with your business. What support do you need to get there?

Third, once you have identified your needs, look to your own circle of acquaintances and your management staff to find the experts needed for your Advisory Group. Your CPA and/or business advisor is a good place to start, but don't overlook experts in personnel, marketing, financing, or other successful business owners in parallel industries. For example, if your goal is to grow through acquisition, and the local funeral director has built a flourishing business through acquisition, then he/she may have tremendous insight to offer on the pitfalls, timing, and rewards of the process, even though

his/her services are vastly different from the printing arena.

Finally, remember that your Advisory Group is as unique as you and your business are. No one can know it all, so a carefully selected Advisory Group can supplement your expertise with their career knowledge and life experiences.

Want to build a better business? Then break out of box with a creative, committed Advisory Group.

MargolisBecker, The Business and Management Advisors, is a CPA firm specializing in the graphic arts industry.

Whatever your goals and needs, we have the solution. Our services include strategic planning, business valuations, mergers & acquisitions, turnaround management, accounting, auditing and tax compliance. The Company has prepared the PIA/GATF Ratio Studies since 1960.

If you have any comments or questions, you may reach us at:

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