

# Business Advisory Board

Best Practice Guide



# Table of Contents

- Building and Maintaining a Business Advisory Board .....3
- Engaging Business Advisory Board Members .....4
- Business Advisory Board Frequently Asked Questions .....5
  
- Sample Documents
  - Business Advisory Board Member Handbook.....8
  - Agenda .....13
  - Meeting Minutes .....14
  - Recruiting Letter.....15
  - Welcome Letter .....16

# Building and Maintaining a Business Advisory Board

A Business Advisory Board (BAB), if utilized to its maximum potential, can serve as an asset to your Enactus team. BAB members can provide resources that will help create sustainability within your organization by serving in the following capacities:

- Providing guidance and mentorship
- Introducing you to other business leaders in the community
- Suggesting project ideas
- Providing access to needed resources
- Funding opportunities
- Giving feedback on projects and your presentation

By identifying key individuals in your immediate community who will add value, your BAB then becomes a vital part of your team's success. Consider looking at the following groups and strategies to help build your BAB:

- **Enactus Partner Companies in your community**
  - Send the applicable store or organization manager a letter introducing your Enactus team (be prepared to explain Enactus)
  - Follow up with a personal phone call
  - Create a Business Advisory Board packet to give the potential member (Packet can contain an Enactus recruitment piece, a copy of your team's annual report, and a project proposal)
- **Leading business, educational and civic organizations in your community**
  - Organizations such as the Chamber of Commerce, Rotary Club and economic development groups in your area have monthly meetings to discuss local issues. This is a great opportunity to discuss Enactus, your Enactus team and how they can become involved.
- **Local businesses with an interest in and ability to provide guidance and materials**
  - Organizations such as financial institutions can provide information and materials for projects such as opening and maintaining a bank account, as well as investing for your future projects.

- **Members of the mass media**
  - Invite members of the local mass media to join your BAB (i.e. newspapers, news stations and radio stations). This can help you receive media attention.
- **Enactus alumni**
  - Involve previous team members who are now in the workforce and in your immediate area to join your BAB. Alumni are familiar with the organization and can assist in recruiting new members.

# Engaging Business Advisory Board Members

After you have created your Business Advisory Board, it is important to involve the members in team activities. We suggest meeting with your BAB at the beginning of the year to review your planned projects. This is a great opportunity for members to give their advice and sign up to be a part of projects that align with their interests.

Consider the following strategies for working with your BAB:

- Hold a beginning of the year meeting to review your plan for the new year and introduce new members. Be sure to invite the BAB members to your team meetings as well.
- Create a monthly newsletter to inform your BAB about team activities and upcoming projects. Consider highlighting a few team members each month so the BAB can get to know your team.
- Hold another meeting prior to competition to practice your presentation. Ask the members to serve as judges and have them give you feedback.

# Business Advisory Board Frequently Asked Questions

- **What does a Business Advisory Board do?**

A Business Advisory Board is designed to advise the team on issues of strategic importance and provide support and guidance for the achievement of the team's mission statement. The BAB meets to discuss key issues and makes recommendations to the team. Note that this is different from a Board of Directors, which usually makes decisions on behalf of an organization. A BAB is for advice, not governance.

- **What are the benefits of establishing a Business Advisory Board?**

There are three main benefits for a team to establish a Business Advisory Board:

- Sustainability of the team – Having a BAB provides continuity to a team over the long term. A BAB also brings credibility to a team, making it easier to build stable partnerships and obtain sponsorship.
- Expertise and advice – BAB members bring a wide range of backgrounds and real-world experience to the table that can be applied to situations faced by the team. BAB members can also act as mentors to students in specific areas.
- Resources – In addition to their expertise and advice, BAB members can provide a wealth of other resources. Such resources include networking contacts, sponsorship, employment/volunteer experiences, access to facilities or equipment and more.

- **Who should be on the Business Advisory Board?**

The Business Advisory Board can be composed of representatives from the community. This mix of people might include:

- Other faculty at your institution
- Alumni of your team or alumni from other teams that now work in your area
- Local business representatives
- Media/public relations representatives
- Not-for-profit representatives
- Any other individuals (i.e. philanthropists, retired professionals) that complement the mix and can provide advice in key strategic areas.

- **How big/small should the Business Advisory Board be?**

There is no ideal size, but corporate boards are generally contained between 10 and 15 people.

Factors to consider when determining size include:

- Manageability – Large BABs can be more difficult to manage in terms of meeting space, administration and communication needs.
- Budget – Variable costs, such as refreshments/lunches and appreciation gifts, should be taken into account.
- Sustainability – Teams, particularly those in small communities, should be careful not to 'use up' all BAB members at once. Establish set terms of up to three years and rotate if necessary.
- Diversity – Ensure that there are enough members to provide a variety of backgrounds and perspectives.
- Responsibility – If a BAB is too small, members may feel overburdened. On the other hand, if a BAB is too large members may defer responsibility to the others in the group.

- **How often should the Business Advisory Board meet?**

Meetings should be held on a quarterly basis at minimum – anything less and there may not be enough contact between members to ensure effectiveness. New boards may wish to hold more frequent meetings at first to enable members to become familiar with Enactus, students and each other.

In addition to quarterly BAB meetings, BAB members can be invited to participate in other events, such as networking socials, presentation practices and various project-related events. BABs may also choose to form committees to deal with specific issues, which require meetings outside of the quarterly meetings. This variety of events ensures that BAB members have ample opportunity to participate and contribute.

- **What level of commitment should be expected from Business Advisory Board members?**

Teams should have realistic expectations of Business Advisory Board members, since they tend to be busy people with a number of priorities and commitments to juggle. Here are some tips to maintain a satisfactory level of commitment from BAB members:

- Be clear about expectations from the onset through the BAB Member Handbook and initial discussions.
- Schedule meetings and events as early as possible to increase attendance. It also helps if meetings are scheduled on a certain day, such as the first Thursday of the month.
- Record action items in the minutes of each meeting and be sure to follow up with those responsible for their completion.
- Establish a term (between one and three years) for BAB members to serve so they know they have a finite period to provide support and commitment to the team.
- Ensure open communication with BAB members so that they still feel ‘in the loop’ even if they miss a meeting or an event.

If there is concern that BAB members are not demonstrating an adequate level of commitment, consider other roles they could play that might be more suitable to their availability. For example, perhaps a member could step down from the Business Advisory Board but continue to participate on a committee.

- **What role should the team play on the Business Advisory Board?**

All Executive Leadership (i.e. leadership council, project leaders, etc.) members should be invited and encouraged to attend meetings, either all at once or on a rotational basis depending on the size of the Executive Leadership team. Other team members can also be invited to attend or to participate. One way to encourage the attendance of team members is to invite them to prepare and deliver the team update at the beginning of each Business Advisory Board meeting. In a meeting setting, all students should feel that they are able to participate openly in discussions. They should also be prepared to respond to specific questions from BAB members.

Overall, a member of the team should support the coordination and management of the Business Advisory Board. This includes compiling information requested, identifying potential members, and ensuring that the guidance and expertise provided by the BAB is appreciated and properly used.

- **How much money does it cost to run a Business Advisory Board?**

Costs can generally be incurred for the following expenses:

- Printing BAB materials
- Facility rental for meetings
- Refreshments and/or lunch for meetings
- Appreciation gifts

These costs can usually be covered through in-kind sponsorships. The team’s institution may provide meeting space and other resources for free. As well, the team may wish to partner with a business support organization, such as a business development center, an industry association or business incubators, in the administration of its Business Advisory Board. These organizations may also be able to cover the cost of meeting space and other expenses.

- **Who should be the coordinator and/or chair?**

The Business Advisory Board coordinator is ideally someone else who is independent of the team, yet familiar with and dedicated to Enactus. In addition to being able to commit to the BAB for at least a year, this individual should have good organization, communication and time management skills. In your search for a coordinator, the team should promote the following benefits – building valuable relationships within the community, gaining experience in corporate governance and ethics, and enhancing the skill sets mentioned above.

The chair, like the coordinator, is ideally independent of the team, yet familiar with and dedicated to Enactus. This individual should have the skills and experience required to manage a meeting, keep discussions on topic and on schedule, mediate any conflicts, etc. While this position requires a strong commitment to the team and consistent attendance at meetings, it does not involve as much behind-the-scenes work as the coordinator position.

If necessary, one individual could play the roles of both the coordinator and chair. However, the position of chair is a great opportunity to encourage members of the community to play a key role in the team. For example, a chair (and a vice-chair, if necessary) can be appointed from among the Business Advisory Board members and rotate every so often. This will allow for enhanced participation of BAB members in the management of the BAB.

- **What will Business Advisory Board members expect in return? How can we show appreciation for them?**

Business Advisory Board members will often appreciate just knowing they are able to work with students to play a role in advancing the mission of the team. Thus, first and foremost, it is important to ensure that all BAB members have a role to play

so that their time, effort and expertise are being used in a valuable way. It is also a good idea to show appreciation throughout the year by giving small gifts and presenting certificates of participation. Recognizing BAB members for their participation in local media outlets may also be a sign of appreciation.

Be aware that there are other ways to ‘give back’ to BAB members and the organizations they represent. Some organizations are looking for access to bright entrepreneurial students for recruitment purposes. Some organizations may be looking for a partner organization or student volunteers for projects or events. Be sure you understand the expectations of your BAB members and how your team can ensure that relationships with BAB members are mutually beneficial.

# Business Advisory Board Sample Documents

## Business Advisory Board Member Handbook

*This document is a Member Handbook for all members of your team's Business Advisory Board. It is also to be used as a guide for the operation of the BAB. Since each team is different, teams should customize this document to suit specific needs of the team*

### Purpose

---

#### Purpose

The Enactus [team name] Business Advisory Board will support the Enactus [team name] in teaching and igniting students to create better futures for themselves and their communities by providing strategic guidance in how to achieve the team's mission statement and main objectives.

#### Evaluation

This purpose will be evaluated at the first meeting of each year to ensure that it is current, given the evolving nature of Enactus [team name] and its advisory board.

### Structure

---

#### Composition

The Business Advisory Board is composed of representatives from the community who can offer a comprehensive range of perspectives, experiences and skills. This mix of individuals may include:

- Key faculty members
- Alumni of the team
- Government/public sector representatives
- Media/public relations representatives
- Private sector representatives
- Not-for-profit representatives
- Any other individuals (i.e. philanthropists, retired professionals)

### Responsibilities

---

#### Members

The Business Advisory Board (BAB) is responsible for advising the team on issues of strategic importance. To fulfill this advisory role, the BAB is responsible for the following areas:

- **Overall strategic guidance** – Providing strategic guidance in determining the team's mission statement and main objectives and challenging the team to maintain compatibility with these elements
- **Compliance** – Overseeing compliance with policies and procedures of the BAB and Enactus team (e.g. Member Handbook, Constitution, Code of Ethics) and suggesting amendments on an annual basis or as necessary
- **External analysis** – Assisting the team in identifying and addressing areas of opportunity, potential risks and challenges and emerging local trends
- **Partnerships** – Supporting the creation of partnerships, sponsorships and other strategic links between the team and other organizations
- **Succession** – Facilitating the Executive succession process by offering guidance in the creation of a succession plan and input into the selection of a President and other executive positions.
- **Annual reports and statements** – Reviewing the team's financial statements and annual report as a means of checks and balances. Overseeing the distribution of these statements and reports to internal and external stakeholders
- **Presentations** – Participating in the selection process for presentation teams and providing feedback on presentations
- **Committees** – Appointing committees that the BAB considers necessary to enable it to carry out its responsibilities effectively and enabling these committees to make recommendations on behalf of the BAB

## Chair

The chair is responsible for:

- **Leadership and vision** – Providing leadership and conveying the BAB's vision to the team and other stakeholders
- **Authority** – Having the ability to start and end all meetings on time and ensure that the agenda is followed throughout the meeting
- **Discussions** – Monitoring discussions to ensure that they are relevant and useful
- **Conflict management** – Mitigating any conflicts that occur during a meeting
- **Designation of replacement** – Arranging for another member to take over these duties in the case the chair is absent from a meeting

## Coordinator

The coordinator is responsible for:

- **Membership** – Recruiting and orienting new BAB members (in consultation with the BAB and Executive team members) and managing existing BAB members throughout their term in order to ensure continuity
- **Information** – Compiling all information required by the BAB (e.g. invitation package/letter, Member Handbook)
- **Schedule** – Scheduling meetings and other BAB events and maintaining record of anticipated and actual attendance at these events
- **Materials** – Confirming that all materials required for meetings, including agendas and minutes, are distributed in an appropriate and timely fashion
- **Feedback** – Soliciting feedback regarding the BAB, including annual BAB self-evaluations, and responding in an appropriate manner
- **Communication** – Facilitating communication between the BAB and Enactus team

*Note: A team may be able to secure assistance from an outside organization in the development and delivery of its BAB. An organization may be able to provide administrative support, such as booking meeting spaces, confirming meetings and maintaining records of attendance.*

## Secretary

In advance of the first meeting, a team member is designated the position of Secretary for Business Advisory Board meetings of the year. The secretary is responsible for:

- **Record of minutes** – Recording the minutes of the meeting in an organized manner and submitting a draft version of the minutes to the coordinator for finalization within one week after the meeting
- **Amendment of minutes** – Amending the minutes to reflect any changes noted by the BAB members at the next meeting and distributing a final version within one week
- **Designation of replacement** – Designating a replacement to take over these duties in case of absence from a meeting and alerting the chair and coordinator of this replacement

## Committees

### Committees

The Business Advisory Board may create various committees to oversee specific strategic areas, including:

- **Succession** – Assisting in the creation of an Executive succession plan; evaluating the criteria for selection of the executives; and participating in the application and interview process
- **Governance** – Assessing the governance model of the BAB and the team; ensuring the compliance of the BAB, team executives and others with the policies and procedures of the BAB and team; and coordinating evaluation of the BAB and its committees
- **Reporting/Financial** – Providing guidance in the creation of an annual report; reviewing financial statements; and ensuring proper distribution of all reports to both internal and external stakeholders of the team
- **Presentation** – Evaluating the criteria for selection of presentation team; participating in the selection of presentation team members; and providing support and feedback to the presentation team throughout the preparation process

**Partnerships** – Scanning the community for potential team partners; making contact with potential partners and providing a liaison for team members; and reviewing materials used for recruitment of supporters

Other committees may be formed to provide guidance on specific projects or initiatives.

## Meetings

---

### Frequency

The Business Advisory Board meets [insert here] times each year. It may choose to hold additional meetings, particularly at the beginning of the year, if it considers them necessary for it to carry out its responsibilities effectively.

### Scheduling

Quarterly meetings will be announced at the last meeting of the year for the following year. For additional meetings, Business Advisory Board members will be polled by the coordinator to determine availability. The final date will be announced at least two weeks prior to the meeting.

### Attendance

Business Advisory Board members must provide notification of their anticipated attendance at meetings to the coordinator. Members who miss three consecutive meetings without notification will be requested to reconsider their commitment to the BAB.

## Other Events

---

### Other Events

Business Advisory Board members will be invited to participate in other events throughout the year. Such events include:

- Networking events open to the public
- Social events specific to members of the BAB and Enactus team
- Presentation team selection events and practice presentations
- Events requiring facilitators, mentors, judges, etc.
- Events entailed in participation on BAB committees
- Other events as scheduled

### Attendance

Notification of attendance at other events is not required. However, BAB members should recognize the rewards and opportunities associated with attending events, and should make an effort to attend at least one such event each year.

## Materials

---

### Agendas

Draft agendas for regularly scheduled meetings will be determined at the first Business Advisory Board meeting of the year, creating a ‘work plan’ for the year (see below). At least two weeks prior to a meeting, the coordinator will distribute a draft agenda for that meeting. BAB members will be given a maximum of one week to propose any changes. The coordinator will distribute a final agenda at least one week prior to the meeting. The agenda will be approved at the beginning of each meeting.

### Work Plan

An annual Business Advisory Board Work Plan allocates each of the BAB responsibilities to a specific meeting agenda. The work plan also identifies the BAB information requirements for each item and who is accountable for providing the BAB with that information.

## Minutes

The secretary records all events, recommendations and action items in the minutes of each meeting. The minutes are then finalized by the coordinator and distributed to the Business Advisory Board and the executives within one week of the meeting. The minutes are then approved at the start of the next meeting. If any changes are required, the secretary will provide a revised version of the minutes of the last meeting within one week of the current meeting.

## Other Materials

At least two weeks in advance of the first meeting of the year, the Business Advisory Board will receive the following materials:

- A letter confirming participation on the BAB for the year
- A profile of BAB members for the year
- A profile of all executive team members and an organizational chart for the year
- A current version of the BAB Member Handbook
- Enactus [team name]'s constitution, code of ethics and any other binding documents
- Enactus [team name]'s mission statement and strategic objectives for the year
- A one-page information page from each executive team member documenting the individual's proposed strategic priorities and action plan for the year

Any other materials can be requested by the BAB at any time. The team will provide these materials for distribution at least two weeks in advance of the next BAB meeting, unless otherwise agreed.

## Accountability and Responsibility

---

### Accountability

As the Business Advisory Board makes recommendations rather than decisions, Enactus [team name] is ultimately accountable for its own actions.

### Responsibility

Despite not making official decisions, the Business Advisory Board is expected to act responsibly. To demonstrate this, BAB members must consistently:

- Abide by the terms established in the BAB Member Handbook
- Exercise due diligence, using a level of judgment and care that person would reasonably be expected to do under particular circumstances
- Act in good faith, in the best interest of Enactus [team name]
- Avoid conflicts of interest
- Obtain a degree of confidence in monitoring the integrity and ability of the executive team members
- Be diligent with regard to BAB meetings and obtaining information
- Respect confidentiality (see next section)

## Confidentiality and Public Communication

---

### Confidentiality

As Business Advisory Board members are expected to be open and candid in the discussion of strategic issues, it is important to maintain confidentiality by not disclosing information or views expressed by individuals. The results of BAB evaluations and other such practices will also be kept confidential.

### Written Records

The minutes and other written records will respect the principle of non-attribution. Deliberations will remain confidential until there is a general agreement and consensus.

## Enactus [Team Name] Business Advisory Board Member Agreement

---

Name: \_\_\_\_\_

Title (if applicable): \_\_\_\_\_

Organization (if applicable): \_\_\_\_\_

Mailing Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Email: \_\_\_\_\_

Phone: \_\_\_\_\_

\_\_\_\_\_

I have read the terms outlined in the Business Advisory Board Member Handbook and I understand what is expected of me as a member of the Enactus [team name] Business Advisory Board.

Name (printed): \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## Sample Business Advisory Board Meeting Agenda

**Date:** [Enter Date]

**Time:** [Enter Time]

**Location:** [Enter Location]

### **[Time] Welcome and introductions**

Everyone around the table should always introduce themselves as a courtesy to other attendees.

### **[Time] Review and approval of the agenda**

Everyone at the meeting should have a copy of the agenda (the coordinator should bring a few extra copies). To approve the agenda, one BAB member must make a motion to approve the agenda, and another member must second that motion. The chair then approves the agenda. If changes are required, they are added.

### **[Time] Review and approval of the last meeting minutes**

Approval of the minutes follows the same procedure as approval of agenda (above). If changes are required, the coordinator ensures that the updated minutes are distributed.

### **[Time] Update from Enactus [team name]**

The update should be brief and should include announcements, events, projects and other items of importance. It can be accompanied by a written document and submitted to the BAB members in advance. The responsibility for this update can be rotated among executive team members. This is also a good opportunity to invite other team members to participate in a BAB meeting.

### **[Time] Discussion of key topics**

Meetings should include discussion of one to three key topics of strategic importance. If more than three topics are discussed, there may not be enough time to address each properly. Topics can include organizational issues, major projects or reports from committees (if applicable). For example:

- Discussion of student recruitment strategy
- Discussion of project XYZ
- Report from the Finance Committee

### **[Time] Other business**

This is an opportunity to discuss any items not scheduled on the agenda, or to arrange an item to be included in the next meeting's agenda.

### **[Time] Next meeting/event**

This includes a reminder of the next regularly scheduled meeting and any other upcoming events, such as networking functions, presentation practices or projects that BAB members may be interested in attending.

### **[Time] Adjournment**

Regularly scheduled meetings should be between 1 and 1 ½ hours. If a meeting is shorter, there may not be enough time to discuss all pertinent items. If it is longer, attendance may suffer.

# Sample Business Advisory Board Meeting Minutes

*Please remember, this is only a sample of BAB minutes. Subjects included are specific to each team.*

**Date:** [Enter Date]

**Time:** [Enter Time]

**Location:** [Enter Location]

**Present:**

List of all members present

**Regrets:**

List of all members not in attendance

**Ex Officio:**

Any additional people present

*Be sure to include the initials of all those present for easy reference during the Minutes. Ex Officio refers to people who are present at the meeting, but who are not official BAB members (such as additional team members invited to attend).*

**List of Action Items:**

- Make discussed change to minutes of last meeting and distribute to the BAB members within one week
- Prepare a document of results on Project A
- Submit revised strategy for next semester to BAB for next meeting
- Select project leader for Project B
- Distribute financial statements for the year

*Include a highlighted list of action items on the front page of the minutes for easy reference. The coordinator should follow up on all action items with those responsible for their completion (in brackets), especially if information or materials related to action items must be distributed to the BAB for the next meeting or by a specific date.*

**[Time] {Agenda Item}**

*Following the list of action items, record notes by Agenda item. Include reference documents, action items and the initials of members when appropriate.*

*Notes on recording the minutes, in order to keep them short and to the point:*

- *To avoid including excess detail in the minutes, make reference to other documents (notes of committee meetings, etc.)*
- *Rather than include 'he said, she said' discussions in the minutes, discuss with the chair how to manage discussions so that a consensus is reached on all key issues*
- *Whenever possible, encourage recommendations and action items for inclusion in the minutes*

## Sample Business Advisory Board Recruiting Letter

[Potential BAB Member Name and Address]

[Date]

Dear [Name of potential BAB Member],

On behalf of Enactus [team name], I am pleased to invite you to serve as a member of our Business Advisory Board for the [year] academic year.

Enactus is an international non-profit organization that brings together student, academic and business leaders who are committed to using the power of entrepreneurial action to improve the quality of life and standard of living for people in need.

Guided by academic advisors and business experts, the student leaders of Enactus create and implement community empowerment projects around the globe. The experience not only transforms lives, it helps students develop the kind of talent and perspective that are essential to leadership in an ever-more complicated and challenging world.

Enactus is financially supported by more than 450 companies, entrepreneurs, individual and foundations. More importantly, Enactus sponsors give their time and expertise as well. As a result, there is no fee for students to join the organization. Teams are led by a faculty advisor and membership is open to all students.

It is equally important that Enactus students have mentors. The Business Advisory Board (BAB) is a group of business people that are recruited to serve as mentors for our team. Typically a BAB is composed of 10-15 business leaders in the community. BAB members can keep students informed of current business concerns and trends, provide financial or in-kind assistance for projects, critique annual reports and presentations and provide networking opportunities. Enactus is not meant to be time consuming for our business professionals; meetings are held [number] of times per year.

We would be honored if you would serve on our Business Advisory Board for our team. If you are interested in joining, please contact [Name] at [contact details].

Thank you for your consideration.

Sincerely,

[Name]

Enactus [team name]

[Phone]

[Email]

## Sample Business Advisory Board Member Welcome Note

Greetings!

Welcome to the annual meeting of the Enactus [team name] Business Advisory Board (BAB). We are excited and honored that you have chosen to be with us today and serve on our BAB.

We are set for an exciting year! The Enactus [team name]'s vision for this year is [insert vision or mission]. The projects we are implementing to achieve this vision are innovative and life-changing for individuals in our community [and other locations, if applicable].

Again, we would like to express our sincere gratitude for your service on our Business Advisory Board. We look forward to developing our partnership with you and ensuring a very productive year!

Sincerely,

[Name of Team Executive and Faculty Advisor]