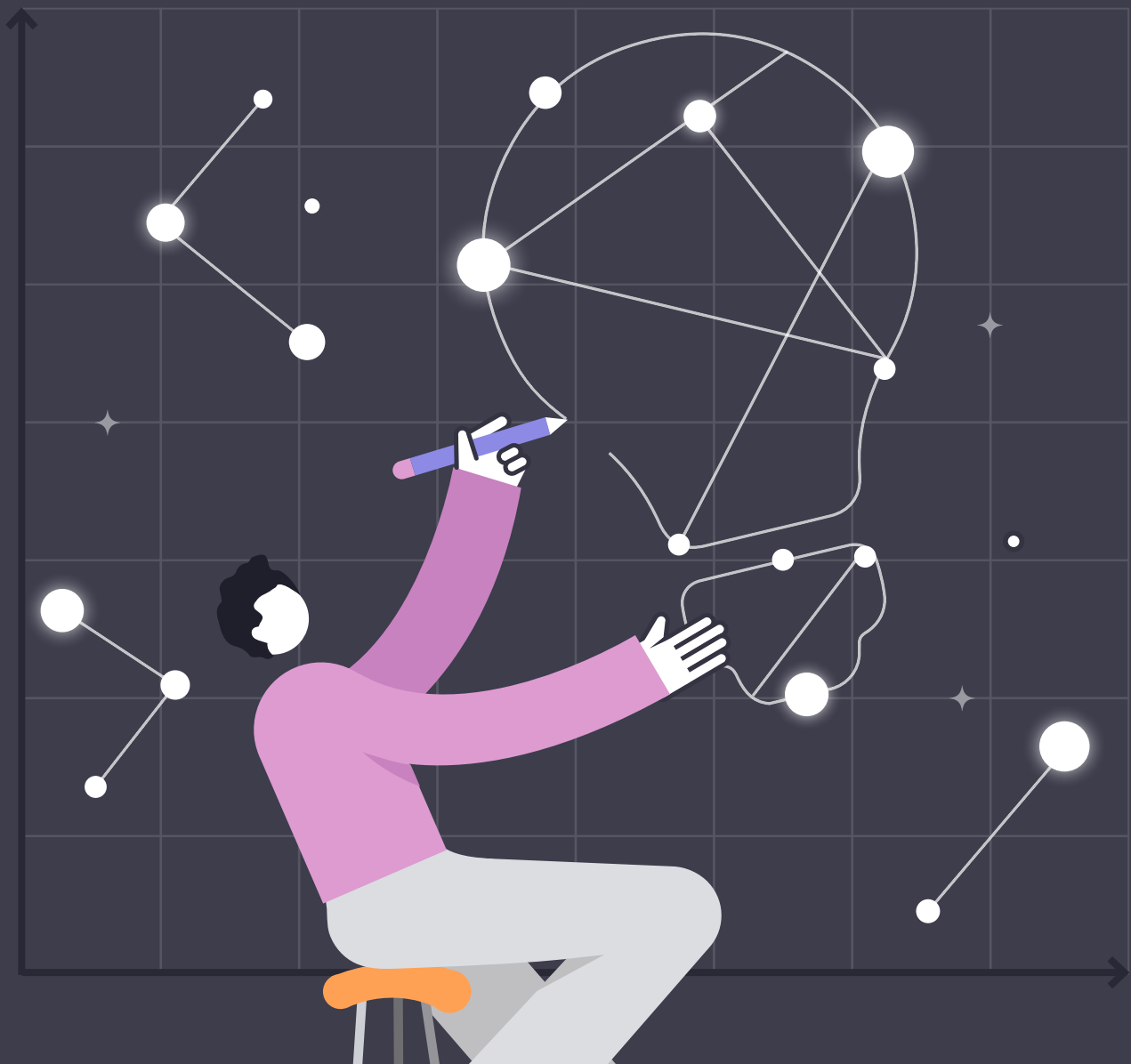


2025-2027

State of the Market

Exploring the art & science
of advisory board best practice



EDUCATION. CONNECTION. IMPACT.

As the global professional body, the Advisory Board Centre provides professional development, certification, research and advocacy, and was founded to support and improve the effectiveness of advisory boards. This includes the professionals and executives who fulfil and manage an advisory function.



Global Research Council

The Global Research Council takes an unbiased validation approach to study the role of advisory boards, and examines what works and what does not to determine opportunities and limitations. We collaborate equally with advisory board professionals, organisations and leading academics globally in the study.



Best Practice and Ethical Engagement

As the global stewards of advisory board best practice, we have developed and maintained the *ABF101: Advisory Board Best Practice Framework™* and the professional *Code of Ethics*. The Best Practice & Ethics Advisory Board includes global representation from industry, academia and government.



Global Community

Representing members in over 30 countries, the Advisory Board Centre provides a critical link between organisations and advisory professionals. We support connection, best practice application and professional practice with global hubs.



Find out more online at [ADVISORYBOARDCENTRE.COM](https://www.advisoryboardcentre.com) or visit our [LINKEDIN PAGE](#).

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Purpose to Impact

We encourage all readers, particularly those new to advisory boards, to explore this section to be informed on current terminology and best practice.

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Leaders Taking Charge

This section is most useful to business leaders and organisational decision makers who are currently using or exploring advisory boards and how they can be enhanced.

03 PROFESSIONAL PATHWAYS

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The Strategic Advisor

This section is most useful to professionals who actively participate in advisory boards or are seeking to engage in advisory boards as part of their future portfolio of work.

First published in 2019, the biennial *State of the Market Report* includes a combination of foundational information on advisory boards and current research into advisory board usage and professionals who engage in the sector. The report is designed to provide value to key stakeholder groups including the global advisory community, organisations, government, researchers and industry groups.

Want to dive deeper into the research? Contact us about a boardroom briefing [LEARN MORE >](#)



THE ART & SCIENCE OF ADVISORY BOARDS

At the heart of effective advisory boards lies the art and science of best practice. The art: skilled facilitation, adaptive engagement, and collaborative dynamics. The science: defined structures, clear processes, and robust governance.

EXECUTIVE SUMMARY

Global research, supported by our professional community, captures two dimensions, providing data-driven insights into structural best practice alongside a deep understanding of the human dynamics shaping advisory success. This report illustrates the art and science of advisory boards and explores trends driving growth in the sector.

Megatrends

The next two years will be shaped by three critical megatrends:

- #1 Integrated governance systems** aligning advisory boards with broader organisational governance.
- #2 Informed leadership** utilising advisory boards to build confidence in decision makers.
- #3 Balancing short-termism** thinking with long-term strategy, where advisory boards are adding responsive value, particularly in environments of uncertainty.

These megatrends are accelerating advisory board formation, spurred on by external regulatory reforms and internal strategic ambitions.

The Profession

With advisory board participation estimated at 9.8 million professionals globally, quality facilitation and structured processes are essential for advisory board effectiveness, blending the art and science in real time.

This will continue to increase investment in professional development and governance system best practice.

Advisory board participation is no longer exclusively external; organisations are increasingly asking their internal executives to establish and lead advisory structures to support strategic projects. This makes expert facilitation skills a critical competency to unlock value and contribution from all participants.

Business Case

When advisory boards are fit-for-purpose, 77% of organisations report positive outcomes driven by clear expectations and alignment. In contrast, when poorly designed or executed, 10% of organisations perceive advisory boards as providing little or no value. This report explores the business case in following best practice to drive value and the challenges created by poor practice.

Competitive Advantage

Organisations are using advisory boards to gain a critical advantage by proactively combining external expertise with internal ambition to accelerate informed decision-making and strategic execution.

“By embracing the evolving art and science of best practice, advisory boards are proving to be powerful catalysts for growth, resilience, and innovation in an era defined by both challenge and opportunity.”

Despite ongoing disruption and economic uncertainty, business leaders who engage advisory boards remain optimistic, with 85% forecasting improved conditions for their organisations. The proactive and future focused approach to developing their advisory board strategy supports organisations to be impactful and commercially relevant for the future.

To fully harness this value, leaders are committing to purposeful design, clear alignment, and expert facilitation. By embracing the evolving art and science of best practice, advisory boards are proving to be powerful catalysts for growth, resilience, and innovation in an era defined by both challenge and opportunity.

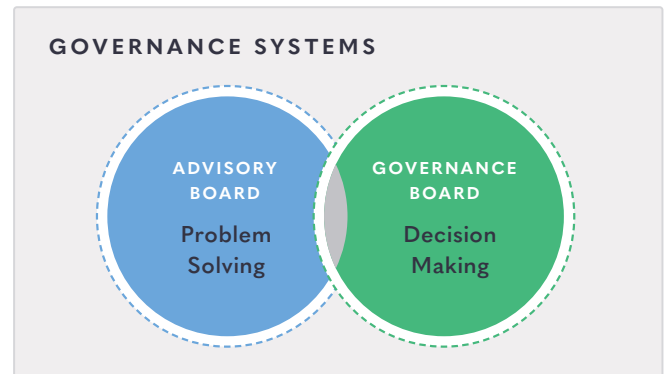


Louise Broekman

Chair, Global Research Council
Founder & Head of Faculty,
Advisory Board Centre

INTEGRATED GOVERNANCE SYSTEMS

Governance boards faced with modern challenges are rapidly adapting to keep pace with the changing business environment. Issues such as technological advancements, global complexity, and evolving stakeholder expectations require agile and responsive governance structures. This adaptive approach was first identified in the *2023-2025 State of the Market Report* where the term “governance systems” was introduced.



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Integrated governance systems harness the distinct yet complementary roles of governance and advisory boards, meeting the organisation’s need for elevated thinking while providing deep diligence that is both defensible and accountable. They have also been the catalyst for the maturing of good governance of advisory boards with a clearly defined and measured business case.

Well beyond the singular view of a board, integrated governance systems are fast becoming the norm. Proactive directors are strengthening their approach to governance in response to the “governance dilemma” relating to the shrinking size of governance boards with a larger mandate and the expanding function of governance.

THE GOVERNANCE DILEMMA



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Managing relationships within a governance system can be complex, where there is an ecosystem of the board, executives, committees, advisory boards and stakeholder management structures. The clear line between the decision making function of the governance board and the non-binding problem solving conversations in advisory boards is critical. The research demonstrates an increasing number (36%) of board-level professionals holding both governance and specialised advisory board credentials to support their participation in an integrated environment.

Good governance of advisory boards requires an overarching validated approach to the advisory board strategy to ensure the line between governance and advisory does not become porous.

INFORMED LEADERSHIP

Leaders are under increasing scrutiny when making decisions on behalf of organisations they represent. The pressure comes from multiple directions: their own expectations, the standards set by internal teams, and the perceptions of external stakeholders.

Decision making is no longer just an internal process; it is constantly evaluated for its fairness, transparency, and impact. While confidence in their choices is deeply personal for leaders, trust is ultimately earned through the integrity of the decision making process and the tangible outcomes that follow. In an era of heightened accountability, leaders must navigate complex expectations while maintaining credibility and strategic clarity.

Research highlights a 30% increase in decision making confidence as a key benefit of high-quality advisory boards. The evolution of best practices and ethical frameworks now enables leaders to refine their decision-making processes, integrating structured “thinking systems” that filter out distractions and focus on what truly matters.

The subtle yet important shift from the decision maker (subjective and undefendable), has now turned to the informed decision making process (objective and defensible).

In times of uncertainty and optionality, leaders are using advisory boards to their advantage to stay in tune with the market, where one point of view and one pathway is not enough.

Informed leaders, supported by well-formed and managed advisory boards, are the hallmark of organisational quality and leadership discipline for the future.



“Being well informed is a hallmark of a trusted leader.”

BALANCING SHORT-TERMISM

Short-termism, the practice of prioritising immediate gains over long-term strategic objectives, has become a defining megatrend, permeating politics, business, and even our personal lives. Short-termism is a balancing act. On one side, it drives the urgency and action necessary to stay agile and respond quickly to market shifts. On the other, it can encourage a narrow focus and constricted flow of resources overlooking the long-term investments and strategies needed to build lasting value, potentially putting future success at risk.

Data shows leadership teams face pressures to deliver quick returns, with global capital markets rating quarterly earnings, political debate shaped by polls and election cycles, and decreasing employment tenure and employee engagement across key markets worldwide. The rapid global spread of digital platforms has compressed time horizons everywhere, fostering expectations for faster results in both personal and professional contexts.

This shift indicates leaders may be more focused on decisions prioritising immediate gains, leading to underinvestment in research, sustainability, and innovation, jeopardising an organisation's long-term competitiveness and value creation.

However, short-termism is not without its benefits. Organisations focusing on execution can be more agile, respond quickly to market shifts and capitalise on emerging opportunities. This approach can be particularly advantageous in fast-moving industries, where innovation cycles are short, and delays in decision-making can lead to obsolescence.

A bias towards action generating results can also support organisations to achieve their strategic intent if there is a clear alignment between activity and outcome.

Advisory boards, including those with a time bound scope, supplement organisational capability and knowledge gaps to respond to immediate opportunities and challenges. Alternate advisory board formats, including those with a stewardship focus as seen in government, investment and industry, provide a longer term lens helping organisations to explore their options.

ADVISORY BOARD STRATEGY DEVELOPMENT

The megatrends of integrated governance systems, informed leadership, and balancing short-termism are shaping sophisticated advisory board strategy development. These forces are interconnected with strong governance systems enabling informed leadership, and naturally balancing short-term action with long-term value creation.

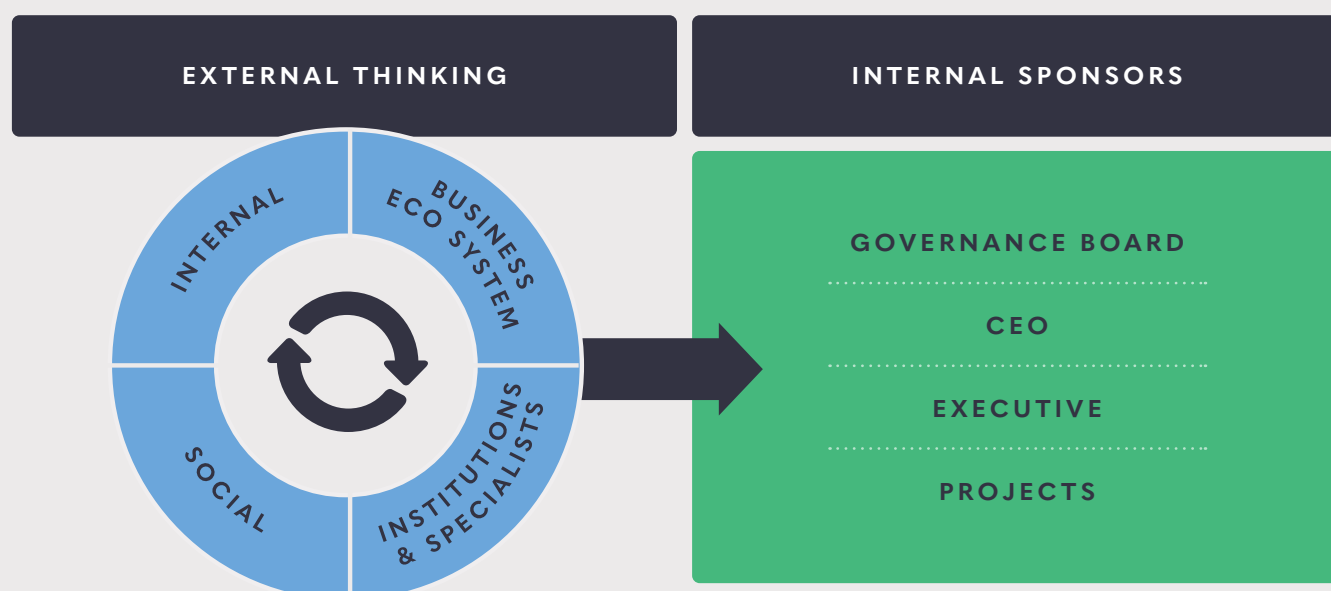
To thrive in this new era, leaders are strengthening governance systems to support informed decision making and reduce over-reliance on any single perspective.

Integrating advisory boards actively supports this goal, helping organisations at any stage align short-term execution with long-term strategy by:

- **Enhancing Critical Thinking:** Exploring objective insights to assess both immediate impacts and longer-term consequences, ensuring broader consideration of options.
- **Delivering Industry Foresight:** Providing an informed view of emerging trends, including activities in other sectors or markets.
- **Structuring Stakeholder Dialogue:** Offering clear processes to align stakeholder needs with organisational goals.
- **Offering Risk Perspectives:** Highlighting both real and perceived risks and mitigation strategies, safeguarding future resilience.

Developing an advisory board strategy ("the why") drives best practice advisory board implementation ("the how"), ensuring alignment with strategic imperatives.

ADVISORY BOARD STRATEGY DEVELOPMENT

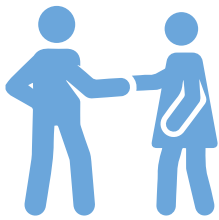




2025-2027

State of the Market

REPORT HIGHLIGHTS



+9.8m

advisory board
professionals globally

MEGATRENDS

#1



Integrated Governance
Systems

#2



Informed Leadership

#3



Balancing Short-
Termism

MOST COMMON



Motivation:
Growth



Type of Advisory Board:
Project-based



**Starting Point to Build
an Advisory Board:**
Chair



Chair Engagement:
Monthly retainer



72% Sourcing through
referrals

RESEARCH SHOWS:

30%

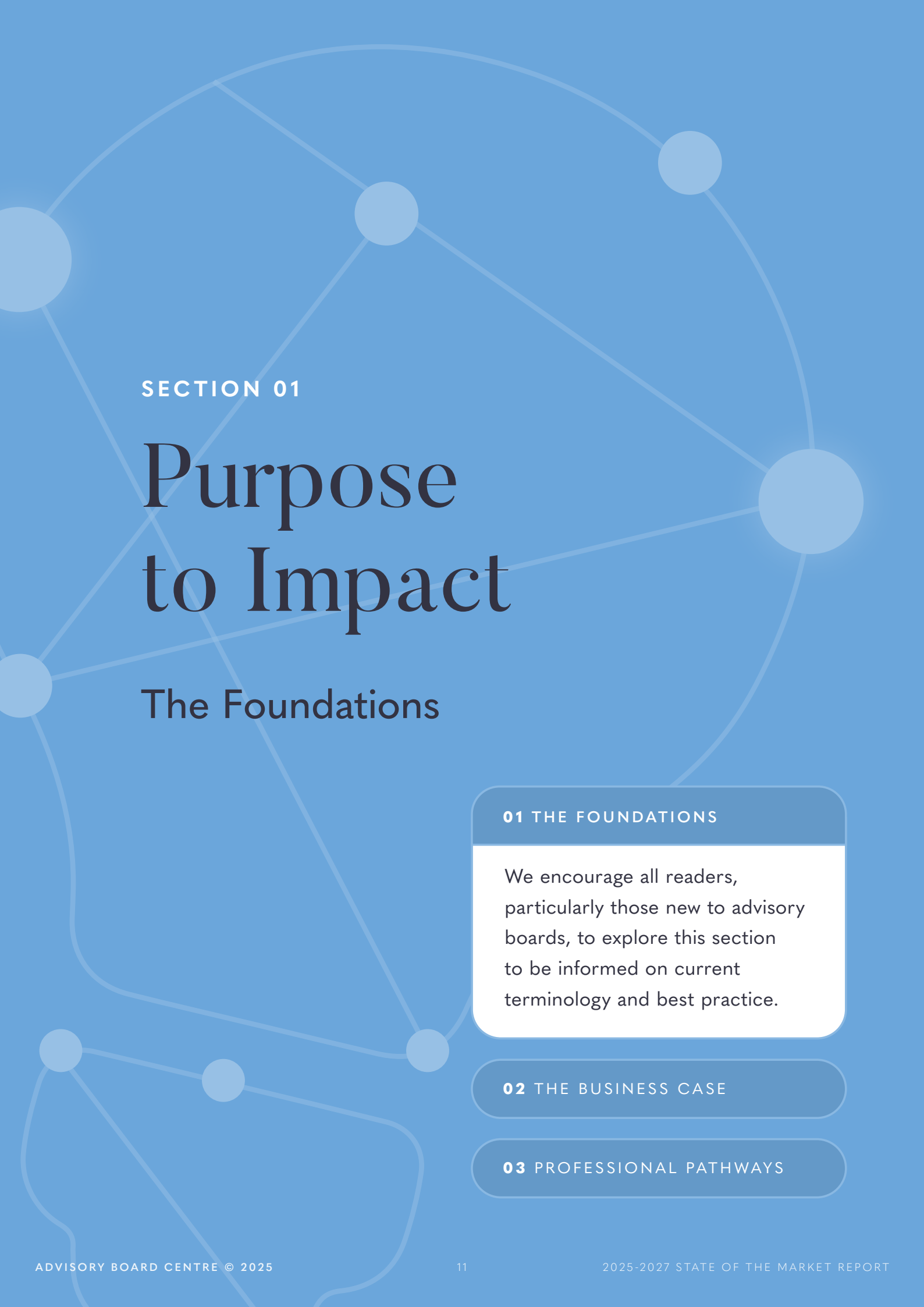
increase in confidence
in decision making when
implementing high-quality
advisory boards;

36%

of board-level professionals
now hold both governance
and specialised advisory board
credentials to support their
participation in an integrated
environment;

85%

of business leaders who
engage advisory boards
forecast improved conditions
for their organisations.



SECTION 01

Purpose to Impact

The Foundations

01 THE FOUNDATIONS

We encourage all readers, particularly those new to advisory boards, to explore this section to be informed on current terminology and best practice.

02 THE BUSINESS CASE

03 PROFESSIONAL PATHWAYS

WHAT ARE ADVISORY BOARDS?

Advisory Board

(noun) • /əd'vɪz(ə)ri/ • /bɔ:d/

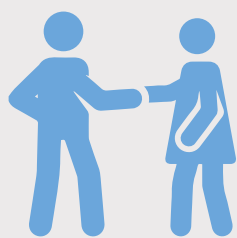
1. A structured, collaborative method for organisations to engage internal and/or external advice
2. A problem-solving model limited by time, scope or both

Understanding the application of advisory boards

Adaptability of advisory boards to an operating environment requires careful consideration and identification of:

- The advisory board strategy
- The purpose of the advisory board
- The processes that will support the advisory board
- The people that will serve in an advisory capacity and drive the function internally.

MOST COMMON STRUCTURE



Two internal members



Independent chair



Two external members

COMMON TERMS FOR AN ADVISORY BOARD

Advisory Council

Advisor Panel

Steering Committee

Reference Group

Working Group

Board of Advisors

Project Board

Think Tank

COMPOSITION

Sponsor

Secretariat

Chair

Internal Members

External Members

THE SPECTRUM OF ADVISOR ENGAGEMENT

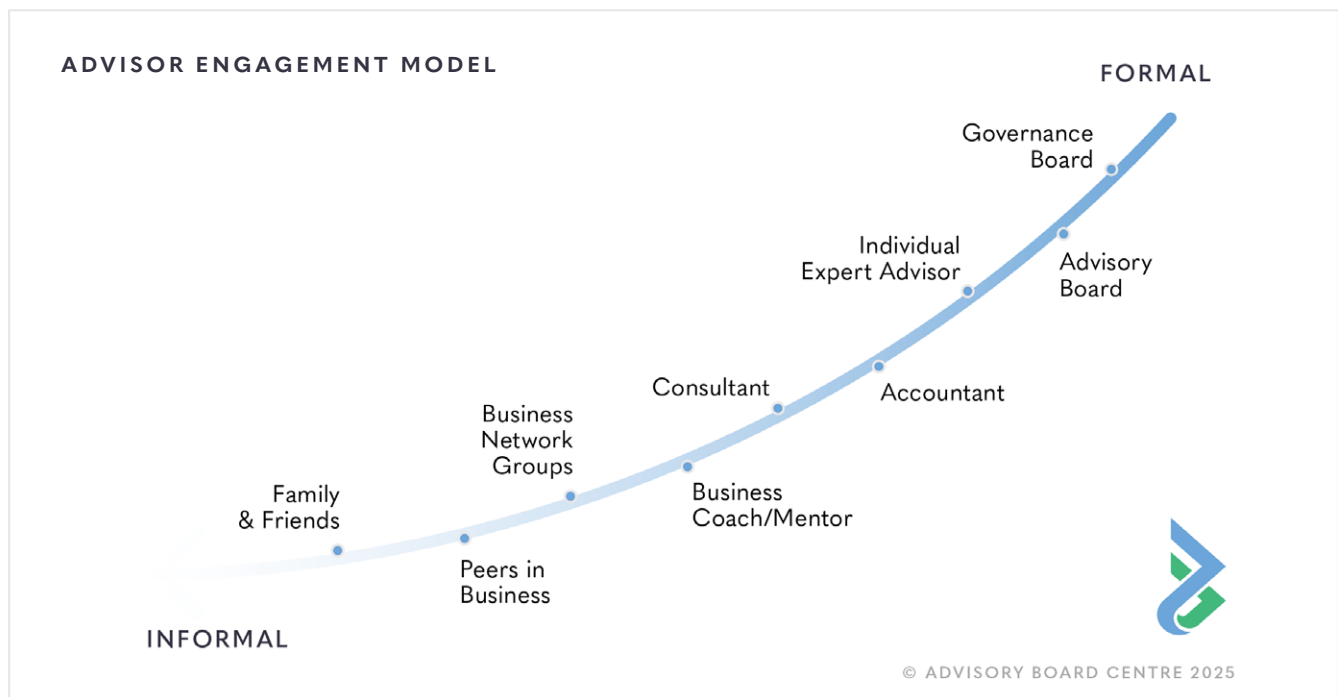
There are many options in how external advice is engaged to meet strategic and operational needs. These engagements can vary from informal to formal arrangements.

Advisory boards are uniquely flexible structures existing across a wide spectrum of formality. Advisory boards can be voluntarily created by organisations seeking strategic advice, external expertise, or fresh perspectives to complement their internal leadership. However, there is an increase in mandated advisory board activity including those legally required by legislation or regulation, ensuring organisations receive either independent expert input in areas

such as public health, financial markets, scientific research or stakeholder engagement.

This dual nature, being both legally required in some contexts and discretionary in others, makes advisory boards a versatile governance tool tailored to fit the unique needs and ambitions of various organisations.

Increased utilisation and adaptation heightens the importance of adopting and tailoring globally recognised best practice principles to ensure advisory boards operate effectively across sectors, regions, and governance structures.



Learn more about *Fit for Purpose Advisory Boards*. **SEE PAGE 24.**

BEST PRACTICE FOUNDATIONS

The first edition of the *ABF101: Advisory Board Best Practice Framework™* marked a watershed moment for the sector as the world's first principles based best practice framework for advisory boards.

As the global stewards of advisory board best practice, the Advisory Board Centre, in conjunction with the Global Research Council and the Best Practice and Ethics Advisory Board, conducts a biennial consultation and review process to ensure the ongoing suitability and impact of best practice against the changing operating environments and increased global adoption.

Released in June 2024, the updated third edition includes refinement of the best practice principles to ensure alignment to the various use cases of advisory boards and the rising adoption of advisory boards within governance systems.



CLARITY OF SCOPE

The advisory board has a clearly articulated purpose and intended impact.

STRUCTURE & DISCIPLINE

The advisory board structure is clearly outlined with management protocols to establish, manage and review effectiveness.

MEASUREMENT

The advisory board is measured on an ongoing basis for the intended impact and organisational alignment.

INDEPENDENCE

The advisory board has an independent mindset with openness, curiosity and understanding in establishing a point of view.

FIT FOR PURPOSE

The advisory board members are profiled and selected by the organisation to fulfil the scope and meet the objectives in terms of expertise, diversity, and personal attributes.

GLOBAL ENGAGEMENT WITH BEST PRACTICE

Organisations and advisory professionals are actively seeking to increase their knowledge and skills to apply best practice. Using the *ABF101: Advisory Board Best Practice Framework™* as the foundation enables best practice application through professional development. This provides guidance to both internal executives who are involved with advisory board formation and the members that participate in advisory boards.

FROM GOVERNMENT:

"What are the different type of advisory boards, particularly government agencies?"

"What are the different types of advisory function they can perform?"

FROM FAMILIES IN BUSINESS:

"We have an advisory board that was established in 2020 and has struggled with its purpose and goals."

"Some of my clients are family businesses and I would like to better support them in setting up an advisory board."

"I am interested to know more about the accountability and review framework for advisory bodies, that ensure that their performance and results are measurable."

FROM THE UNIVERSITY SECTOR:

"I'm setting up an international advisory board to strengthen the university's global profile."

FROM NOT FOR PROFITS:

"We are a Not-for-Profit organisation of health care professionals wanting to formalise an Advisory Council that will be vital to the research based approach for our work."

"...struggling with an advisory board making decisions for the organisation, trying to find a way to better explain their role."

"Looking for best practices guide around setting up an advisory board for a private company with institutional equity backers."

FROM PROFESSIONALS:

"I have previously been a Board Chair. I have completed the Company Directors Course. Now I'm Chair of an advisory board and need help."

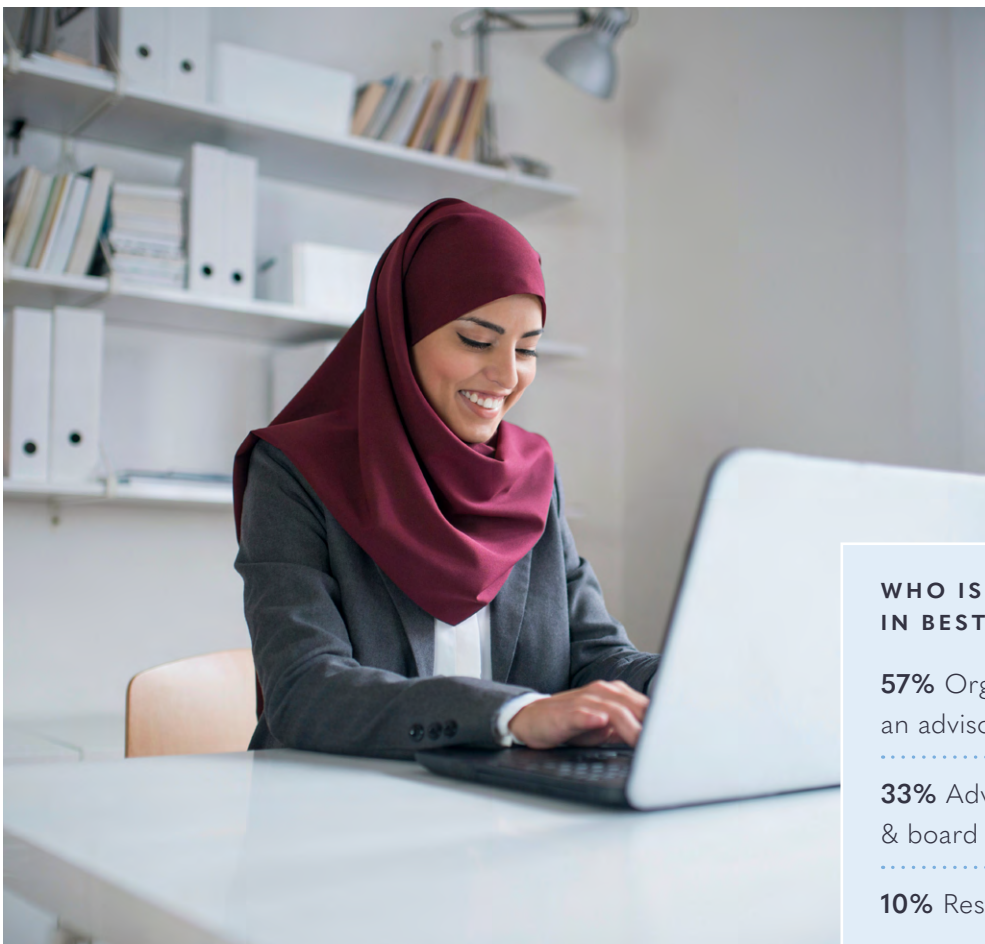
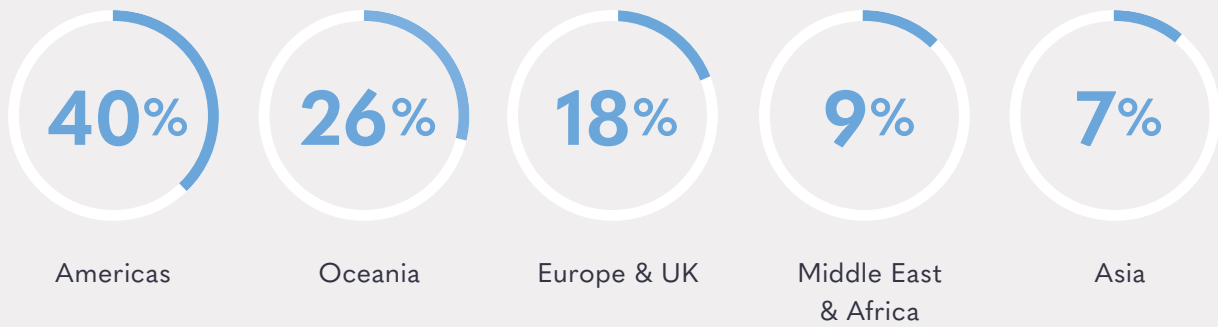
"I'm the Chair of an advisory board but there is no governance model for this. I'm looking for something that will help me develop a simple but clear way to develop this for the advisory board."

"I serve on a couple of advisory boards but they do not feel well organised or effective to me."

FROM SECRETARIAT:

"I have an organisational change project that needs an advisory board – how do I lead it?"

INTEREST IN BEST PRACTICE BY REGION

WHO IS INTERESTED
IN BEST PRACTICE?

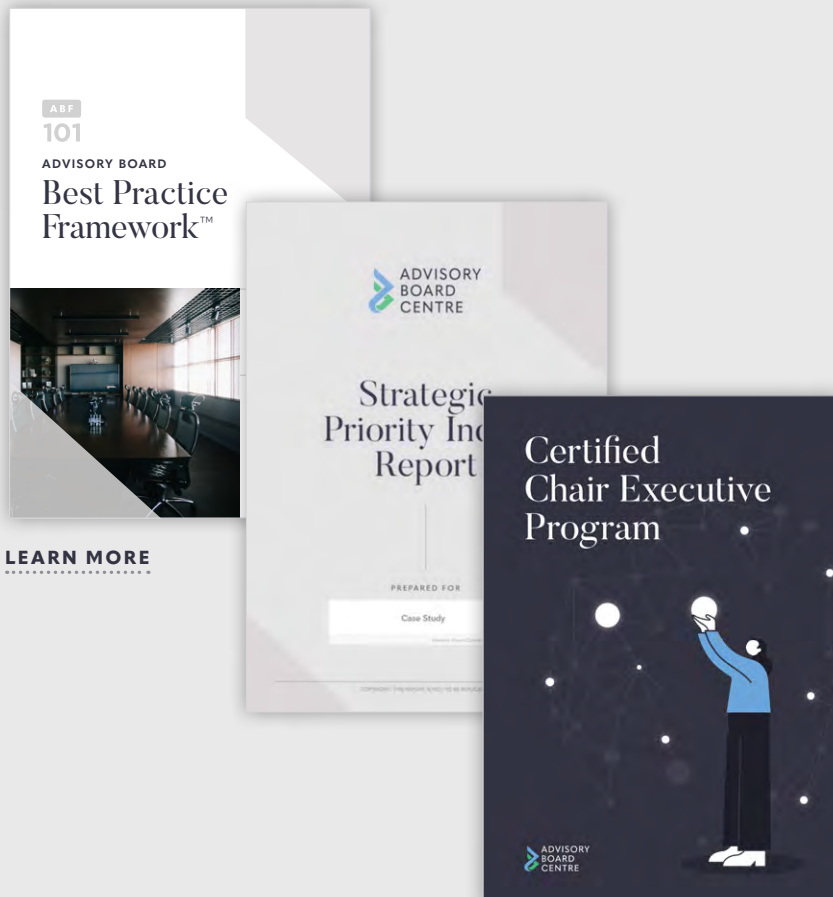
57% Organisations implementing
an advisory board

33% Advisory professionals
& board directors

10% Researchers & academics

BEST PRACTICE IN PRACTICE

The Global Research Council studies the impact of advisory boards and the relationship ecosystem between organisations and advisory professionals. Insights from the research are disseminated into key resources, professional development and credential programs to enhance the advancement and adoption of best practice governance systems and ethical engagement.



CERTIFIED CHAIR™ EXECUTIVE PROGRAM

The Certified Chair™ Executive Program is essential professional development for executives, advisors, directors and professional services providers to master the worldclass standard for best practice in advisory boards. The Certified Chair™ Executive Program is the only executive education globally developed specifically for the advisory sector.

LEARN MORE

ELEVATING ETHICS FOR THE SECTOR

Advisory board members have a professional duty to uphold both organisational and personal reputations. This includes maintaining clear role boundaries, ensuring independence, fostering diverse thinking, and upholding professionalism. Ethical practice goes beyond rules, requiring sound judgement in complex environments.

Mandated advisory boards are increasingly common due to regulatory, investor, and shareholder pressures, adding new governance dynamics. Clear protocols are essential to managing relationships between advisory boards, executives, and formal governance structures. When mandated, role clarity, risk management, and process integrity become even more critical.

Reflecting the sector's maturation, the Advisory Board Centre has publicly released its *Code of Ethics*, previously an internal guide, to professionalise advisory board practice. Now in its 4th edition, it emphasises situational ethics, acknowledging that advisory engagements are dynamic. This evolution underscores the role of ethical stewardship in fostering trust, transparency, and sustainable value.

CODE OF ETHICS CONSIDERATIONS

Clearly define the sponsor's brief and maintain clear role boundaries

Set transparent terms of engagement, covering both paid and unpaid roles

Uphold professionalism by adhering to relevant regulations and internal policies

Establish and enforce conflict of interest protocols, addressing both real and perceived conflicts

Continuously monitor and self-assess the advisory board's impact

Maintain independence by avoiding self-interest, over-familiarity, undue influence, or control

CODE OF ETHICS ENGAGEMENT BY REGION

32% Americas

32% Oceania

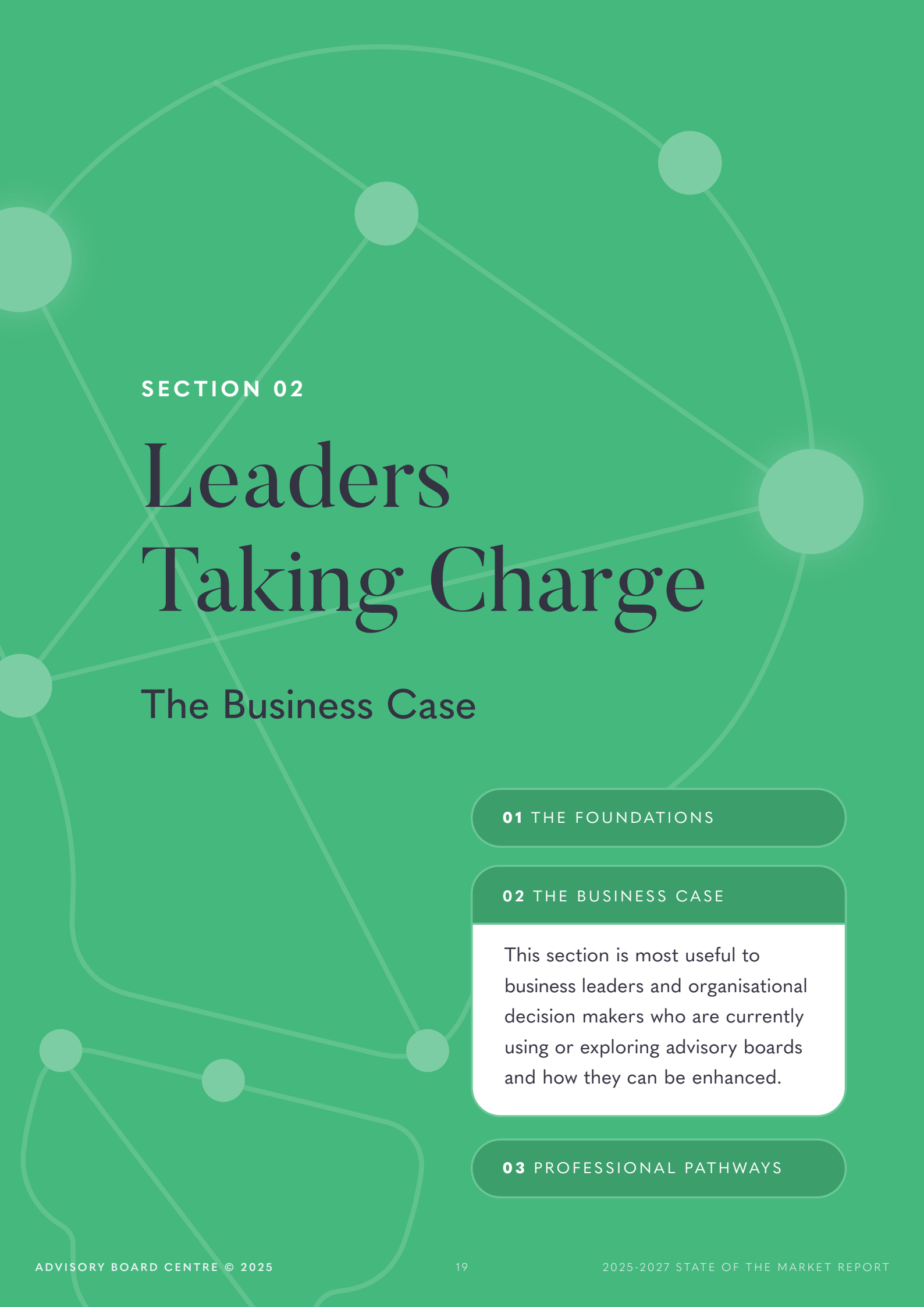
5% Europe & UK

23% Middle East & Africa

9% Asia



Read latest *Code of Ethics*. **DOWNLOAD NOW.**



SECTION 02

Leaders Taking Charge

The Business Case

01 THE FOUNDATIONS

02 THE BUSINESS CASE

This section is most useful to business leaders and organisational decision makers who are currently using or exploring advisory boards and how they can be enhanced.

03 PROFESSIONAL PATHWAYS

ADVISORY BOARDS IN PRACTICE

While advisory boards are not a new concept, the formalisation of best practice and considered implementation within governance systems is a relatively recent advancement. The release of the first edition of the *ABF101: Advisory Board Best Practice Framework™* in 2020 followed by the *2021 State of the Market Report* provided a world first insight into the advisory board journey from an organisational perspective.

The overwhelming majority of organisations are seeking to establish new advisory boards, and they want to get there fast. The information presented in this section of the report helps to highlight the business case for advisory boards. This is a valuable resource for internal sponsors seeking advancement of their governance systems as well as practitioners supporting business leaders to explore their options.



83%

of organisations **are seeking guidance** for setting up a new advisory board



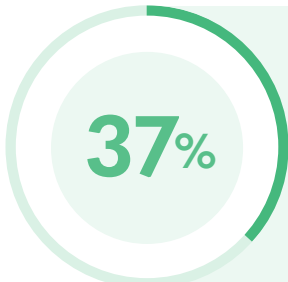
37%

want their **advisory board operational** as soon as possible



26%

want this operational within the **next 12 months**



37%

are unsure of timing in setting up their advisory board but undertake **a discovery process** to explore their pathway

ORGANISATIONS ENGAGING ADVISORY BOARDS

From startups and small businesses seeking guidance for growth, to large corporate and government bodies enhancing governance and decision-making, advisory boards provide flexible, fit-for-purpose support. They are also increasingly adopted by not-for-profits, family businesses, family offices, and investors, where independent advice helps balance commercial, social, and legacy objectives.

WHICH ORGANISATIONS ARE ENGAGING ADVISORY BOARDS?

4%	Investors
5%	Government
6%	Corporates
8%	Large Businesses
10%	Not-for-Profits
13%	Families in Business
14%	Start Ups
40%	Small & Medium Businesses



BEST PRACTICE ADVISORY BOARDS BY REGION



FAMILIES IN BUSINESS

Traditionally operating with a high degree of discretion and minimal public visibility, family offices are now reshaping conventional market dynamics. The 2025 report marks a significant shift, as family offices increasingly disclose their advisory frameworks, signaling a move towards greater transparency and strategic governance.

The line between “family business” and “family office” is also blurring as entrepreneurial families acquire different business interests identifying themselves as “families in business”.

As asset portfolios are increasingly diversified, there is a growing demand for customised advisory support aligned with family values and long-term objectives.

This evolution is also driving a departure from reliance on traditional institutional providers, with more families opting to establish independent advisory structures at both the organisational and personal levels, ensuring greater control and alignment with their unique set of priorities.



ORGANISATIONAL MOTIVATIONS

The decision to implement advisory boards has traditionally been driven by the need for support during organisational growth cycles. While growth-focused advisory boards remain the primary purpose for 51% of organisations, there has been a notable 17% increase in advisory board adoption specifically to navigate organisational change. Emerging business cases increasingly highlight the need for advisory input into technology-driven reinvestment strategies, particularly those aimed at improving employee productivity and operational efficiency.

Investment in sustainability is also a growing focus, shaped equally by internal purpose and values (pull factors) and external forces such as regulatory requirements and market expectations (push factors).

The rise of project-specific advisory boards reflects shifting market needs and the demand for targeted expertise. Organisations across sectors face common drivers like growth, tech transformation, and workforce management while tackling challenges in sales, talent retention, and cash flow. As priorities evolve, advisory boards help balance short-term pressures with long-term strategy, ensuring agile, resilient decision-making.

Understanding Motivations

Purpose stems from a vision, need, or trigger, driven by either a Push (we have to do this) or a Pull (we want to do this). When forming an advisory board, understanding this distinction is crucial for building a strong business case and assessing its impact.

PUSH FACTORS

Increased competition
Regulatory changes
Cost pressures
Minimise risk & exposure
Availability of capital
Succession planning
Must evolve or exit
An event has occurred

PULL FACTORS

Growth appetite
New market opportunities
Innovate to transform
Increased efficiency and cost savings
New stakeholder engagement models
Embracing digital, AI and tech driven transformation
Social license to operate
Incentives

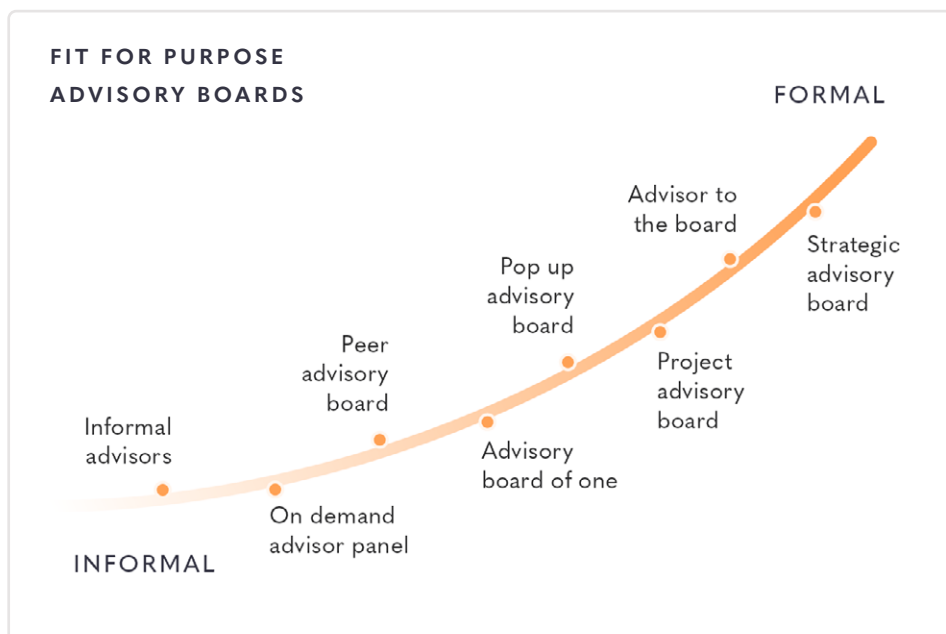


THE ART & SCIENCE

Advisory boards offer flexible solutions to diverse organisational triggers, but a formal board isn't always the best fit. Many leaders benefit from a structured discovery process to align motivations and priorities with a tailored advisory approach. Notably, 25% of organisations enter an evaluation phase without intending to form a formal advisory board, instead exploring innovative models to address evolving challenges and opportunities.

THE POWER OF PURPOSE

Defining an advisory board's purpose is essential for ensuring clarity, alignment, and effectiveness. A well-articulated purpose promotes a shared understanding among members, guiding their contributions and ensuring their expertise is leveraged where it adds the most value. It also establishes clear engagement parameters, distinguishing from the advisory board's role from governance and executive functions to prevent overlap or confusion.



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CHARACTERISTICS TO NOTE

Strategic advisory boards

Typically used in the business sector and include a clear mandate as an accountability partner whilst providing insight to strategic priorities

Project advisory boards

Largest segment of the advisory board sector

Advisory board of one

Most common starting point for organisations to establish and manage their advisory structures over time

On demand advisor panels

Used by startups, scaleups, accelerators and investment groups



THE ART & SCIENCE

Sponsors emphasise a phased approach to forming advisory boards, often starting with an independent chair to guide the strategic evaluation and implementation phase as a single-member board, then expanding by appointing members to fit for purpose advisory boards. Once a trend among smaller organisations in 2023, this model is now seen across all sectors. It balances the need for speed where 37% aim to launch their advisory structure quickly, with a well-managed rollout.

PROJECT ADVISORY BOARDS

Project advisory boards, when underpinned by best practice, are a highly accessible way to meet the needs of any organisation by adapting to the strategic priorities, operating environment and governance system.



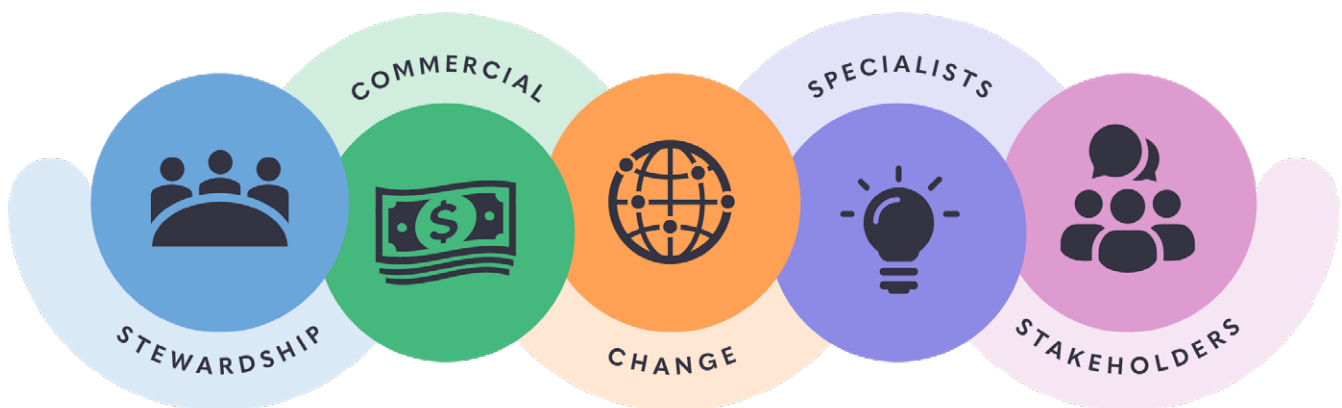
Project advisory boards are limited by **time**, **scope** or **both**.



53%

of **new** advisory boards are project advisory boards

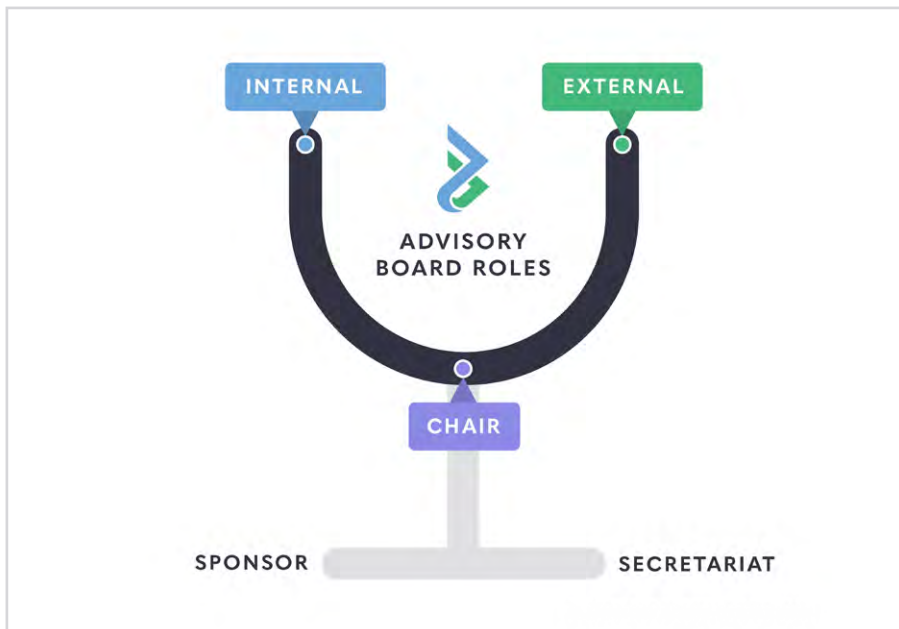
PROJECT ADVISORY BOARD CATEGORIES



Accountability & excellence	Strategy & growth	Transformation	AI & digital transformation	Next generation
Compatibility & succession	International markets	Innovation	Cybersecurity	Diversity & inclusion
Validation	Investment / Mergers & acquisitions	Regulatory	Specialist technical panels	Customer
Legacy	Commercialisation	Workforce	Sustainability	Industry / Market
			Ethics	Consultation
				Thought leadership

STRUCTURE FOLLOWS PURPOSE

The purpose of an advisory board creates a logical connection to the structure of the board composition. The role of the Sponsor and the Secretariat function are increasingly recognised as critical to ensuring return on the advisory board investment.



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THE ART & SCIENCE

Research has identified the most challenging aspects of implementing advisory boards is Purpose, in creating clarity of scope, and Process in identifying the right structure and measurement of impact. The *ABF101: Advisory Board Best Practice Framework™* is a valuable foundation to explore a new advisory board or assess the operation of an existing advisory structure.

ADVISORY BOARD ROLES

Sponsor:

Champions the advisory board activity

Secretariat:

Manages the advisory board function

Chair:

The cornerstone of an effective advisory board, the chair provides continuity to the organisation, confidence to the Sponsor and guidance to the members

Internal Members:

Organisational context to the discussions

External Members:

Provides critical thinking to the organisation within the scope of the charter

ADVISORY BOARDS IN CONTEXT

Leaders who establish advisory boards tend to be proactive and adopt an optimistic, forward-thinking mindset, with 85% expressing confidence in their organisation's future. While the scope and purpose of advisory boards vary across organisations, research identifies three distinct market segments where advisory boards are evolving.

	Emerging	Business Sector	Corporate
	Pre Revenue to \$1.5m	\$1.5m - \$200m	Organisations with well articulated governance systems
Motivations	Capital Raise Commercialisation Scale Market entry	Growth International Markets Succession Planning Change Exit & Succession	Stakeholder Engagement Specialist Thinking
Current Market Activity	SaaS Tech Accelerators Investor Groups	Health & Life Sciences Professional Services Manufacturing Construction	Multi National Government Universities NFP NGO
Highlights	Balancing potential conflicts of interest through equity arrangements with advisors	The growth of Families in Business, legacy, succession and decentralised wealth	Reshaping of meeting structures, informing executives and boards, access to networks, empowering internal decision makers



THE ART & SCIENCE

Research shows that advisory boards have the greatest impact when they have a clear purpose and defined outcomes. However, in uncertain environments with both known and unforeseen challenges, this clarity is harder to maintain. Sponsors increasingly adopt a flexible approach—regularly reassessing the organisation's needs and adjusting the board's focus to stay aligned with changing priorities.

ADVISORY BOARDS IN LEADING ORGANISATIONS

The adoption of advisory boards as a key component of integrated governance systems is gaining momentum across leading global organisations. As businesses, government entities, and industry bodies navigate increasing complexity, advisory boards provide strategic guidance, diverse perspectives, and an agile approach to informed leadership.



LEADING ORGANISATIONS ENGAGING WITH ADVISORY BOARDS



FACILITATION UNLOCKS VALUE

Effective facilitation is a critical factor in maximising advisory board impact, yet its importance is often underestimated. Facilitation goes far beyond meeting management; it is a specialised executive capability requiring ongoing professional development and deliberate application. Research across thousands of organisations confirms that no two advisory boards are identical, and the nature of conversations within them varies significantly.

Skilled Chairs must balance structure with adaptability, mastering how to frame discussions, shape agendas, and ask insightful questions to stimulate valuable dialogue.



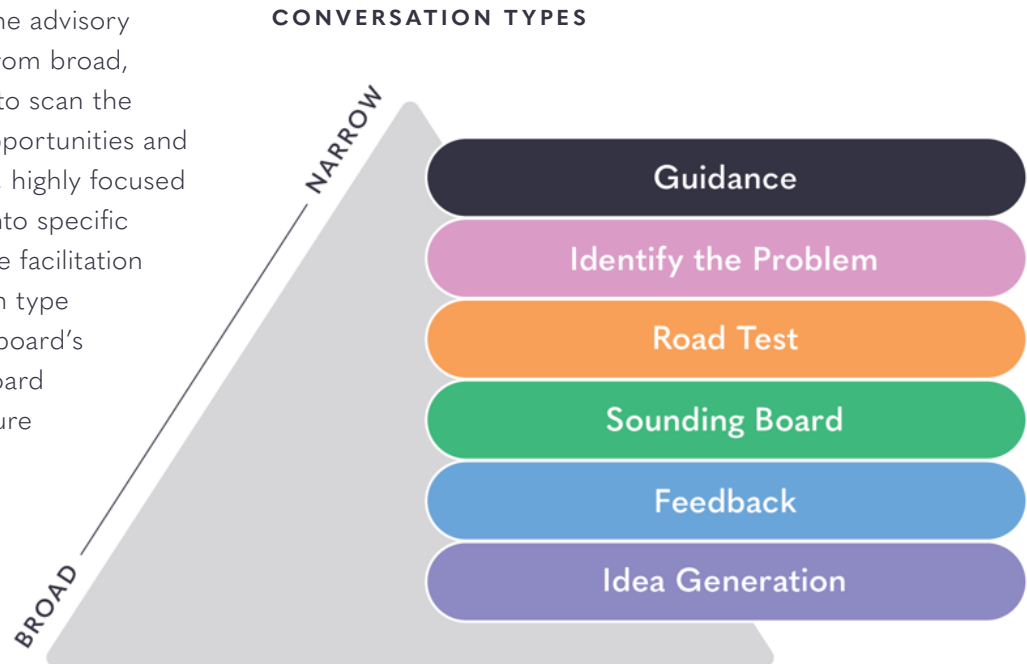
THE ART & SCIENCE

With many competing needs, the advisory board agenda must be carefully curated. Following best practice, the Chair and Sponsor collaborate to determine:

- Do the items align with the board's remit?
- What are the priorities for this meeting?
- How can members be well-prepared to contribute meaningfully?



Conversation types at the advisory board table can range from broad, exploratory discussions to scan the horizon for emerging opportunities and risks, through to narrow, highly focused dialogues, diving deep into specific strategic topics. Effective facilitation ensures the conversation type aligns with the advisory board's purpose, allowing the board to flex between big-picture thinking and targeted problem-solving as organisational needs evolve.



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TOP 3 MOST COMMON AMBITIONS



An organisation's needs will directly influence the type of support it seeks from its advisory board. The nature of these conversations is guided by expert facilitation from the Chair, shaped by the Sponsor's expectations, and enriched by the expertise and input of advisory board members.

TOP 3 MOST COMMON CHALLENGES



PURPOSE TO IMPACT

Where impact appears to be a simple concept, it can be difficult to define when advisory boards do not traditionally hold the decision making or implementation function. How can impact of an advisory board be measured when its key function is to think?

There are different measures to consider and evaluate on their own merit including (but not limiting to) the following categories:



Inputs (process accountability)



Outputs (impact accountability)



Indirect or direct metric outputs (assessments, financial, project, networks)

TOP 5 INTENDED IMPACTS



1

Decision making confidence



2

Revenue



3

Capability development



4

Access to specialist knowledge



5

Harnessing thought leadership to inform our strategy

MEASURING IMPACT

The Global Research Council aims to maintain an unbiased view of the sector. Why an organisation seeks to engage an advisory board will often translate into how the impact is measured.

As advisory boards serve many different purposes, quantitative and qualitative data have been gathered from global organisations with an advisory board to assess the sponsors perception of organisational impact.

ADVISORY BOARD REPORT CARD



TOP 3 POSITIVE THEMES

1. Personal and professional growth
2. Builds confidence and improved leadership capabilities
3. Time and cost savings from advisor guidance

TOP 3 NEGATIVE THEMES

1. Lack of formal structure
2. Misalignment and lack of impact of advisors
3. Frustration with cost vs perceived value

MEASURING ALIGNMENT

Insights gathered from over 1,000 Certified Chairs™ globally highlight alignment is a critical success factor for advisory boards. Rather than being a one-time exercise, alignment evolves alongside shifting organisational priorities and changing sponsor expectations. Skilled Chairs maintain alignment by regularly reviewing the advisory board's scope, purpose, and composition, ensuring it remains fit for purpose.

This requires not only actively listening to what is said during meetings but also paying attention to what is left unsaid, identifying emerging gaps between expectations, contributions, and outcomes. By combining formal alignment reviews with real-time facilitation techniques, Chairs work closely with the sponsor to continually assess and adjust, ensuring the advisory board delivers relevant, high-value advice aligned to the organisation's needs.



STORIES OF ALIGNMENT

"The advisors have provided insight to help us build confidence in our growth strategy"

"Our advisory board helped build our credibility and confidence in the market"

"Transitioning from informal structures into formal advisory boards has potential for a longer term impact"



STORIES OF FRUSTRATION

"Advisors do not take time to understand the issues we face"

"Lack of clarity in roles and responsibilities limits our ability to focus on strengths"

"Lack of measurements creates uncertainty of impact"



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Best practice emphasises the importance of ongoing measurement to track both the intended impact and organisational alignment of the advisory board. However, 21% of organisations currently lack any form of impact measurement, or are unsure how to approach it, leaving them vulnerable to value leakage and scope drift. The pilot phase of an advisory board provides a valuable opportunity to test and refine both its purpose and its measures of success. Establishing clear alignment and agreeing on practical, meaningful metrics requires collaborative facilitation between the Sponsor, Chair, and Secretariat.

ADVISORY BOARD MEMBER APPOINTMENTS

The selection of members is a critical process shaping the advisory board's effectiveness and impact. Members are typically drawn from both internal and external sources, each bringing distinct value to the advisory function. Internal members, as representatives of the organisation, are appointed based on their functional roles, departmental expertise, or decision-making authority. Their participation not only creates a valuable channel for gathering insights to support strategic decisions, it also fosters their own professional development and networking opportunities.

In contrast, external members are commonly selected for their industry expertise, market credibility, and strategic perspective, often joining through referrals due to their proximity to the organisation. Their specialised knowledge and external vantage point provide fresh insights, challenge internal thinking, and enhance the advisory board's overall effectiveness by informing the organisational leaders.

HOW ORGANISATIONS SOURCE ADVISORY BOARD MEMBERS

2%	Social media
4%	Advertise
4%	Government agencies
18%	Industry groups
27%	Current advisor referrals
45%	Business networks referrals



THE ART & SCIENCE

Sourcing advisory board members through referrals is effective, leveraging trusted networks for efficiency. However, expanding beyond immediate connections introduces fresh perspectives, diverse expertise, and broader networks. Combining referrals with external sourcing enhances advisory boards and strengthens access to new insights and can reduce ethical challenges of conflicts of interest and relationship bias.

**ENGAGEMENT
FOLLOWS TRUSTED
SOURCES**



72% Referrals

ADVISORY BOARD ENGAGEMENT

How an advisory board is engaged for their service varies from organisation and individual advisory professional.

Commercial investment and terms are generally negotiated between individual parties and the organisation. Professional advisors report engaging in a variety of remuneration structures for their advisory board portfolios. Chairs are typically engaged on a monthly retainer with advisory board members most likely to receive a meeting attendance fee.

MOST COMMON ENGAGEMENT STYLE



Chair:
Monthly retainer



Members:
Per meeting fee

TIPS FOR ENGAGING ADVISORS

Clearly profile roles to meet the objectives

Conduct a structured interview and selection process

Look for advisory board specific education and credentials

Document engagement agreements

ETHICAL CONSIDERATIONS FOR ENGAGEMENT

Respecting the value of time commitments

Expectations of contribution

Independence

Conflicts of Interest

Documented agreements

63%

of organisations are **unsure of their budget** when establishing an advisory board for the first time



Dive deeper into Advisory Board Engagement and Remuneration trends. **LEARN MORE.**



SECTION 03

The Strategic Advisor

Professional Pathways

01 THE FOUNDATIONS

02 THE BUSINESS CASE

03 PROFESSIONAL PATHWAYS

This section is most useful to professionals who actively participate in advisory boards or are seeking to engage in advisory boards as part of their future portfolio of work.

THE PROFESSION

The advisory board profession is experiencing significant growth and transformation. As the role of advisory boards continues to evolve, so too does the understanding of the sector, with various models and titles, such as advisory boards, committees, councils, and boards of advice, reflecting its diverse applications. With this expansion, there is an increased variance in the individual role titles used to identify advisory board members.

Globally, it is estimated that 9.8 million professionals participate in these roles, contributing their expertise across industries and sectors. Moreover, the profession is not limited to those who serve on advisory boards; it is also expanding to include

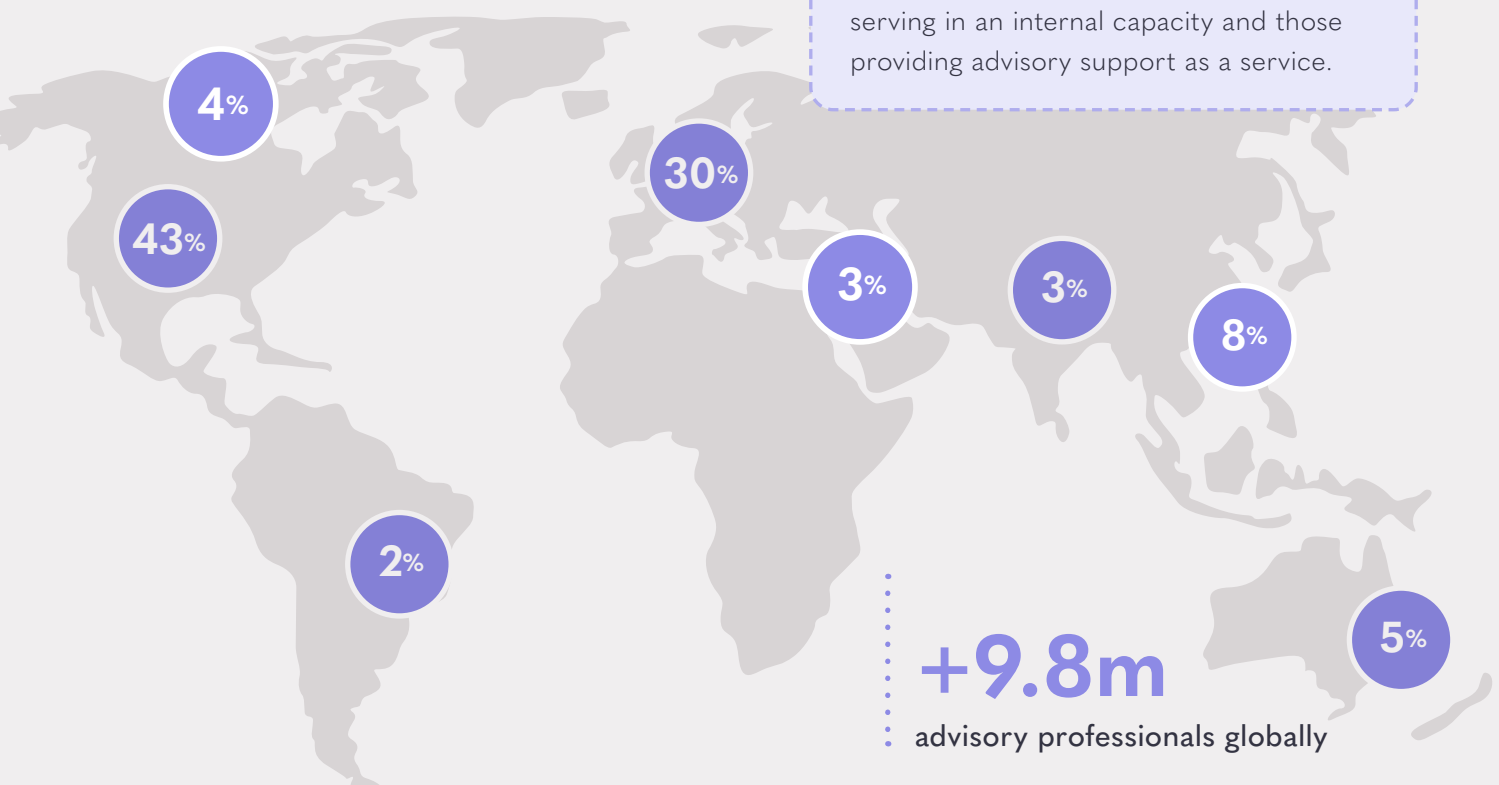
professionals who specialise in managing the internal function of advisory boards, bringing a unique skill set to the table. This expansion highlights the increasing value and complexity of advisory boards in the wide range of operating environments.



THE ART & SCIENCE

What's driving the growth of advisory board professionals? Role visibility and promotion of participation are the greatest drivers of the professional market growth. An increasing number of professionals globally are publicly listing their participation in advisory board activity on their LinkedIn profiles. In 2025, there has been a marked increase of advisory professionals within organisations and firms – including those serving in an internal capacity and those providing advisory support as a service.

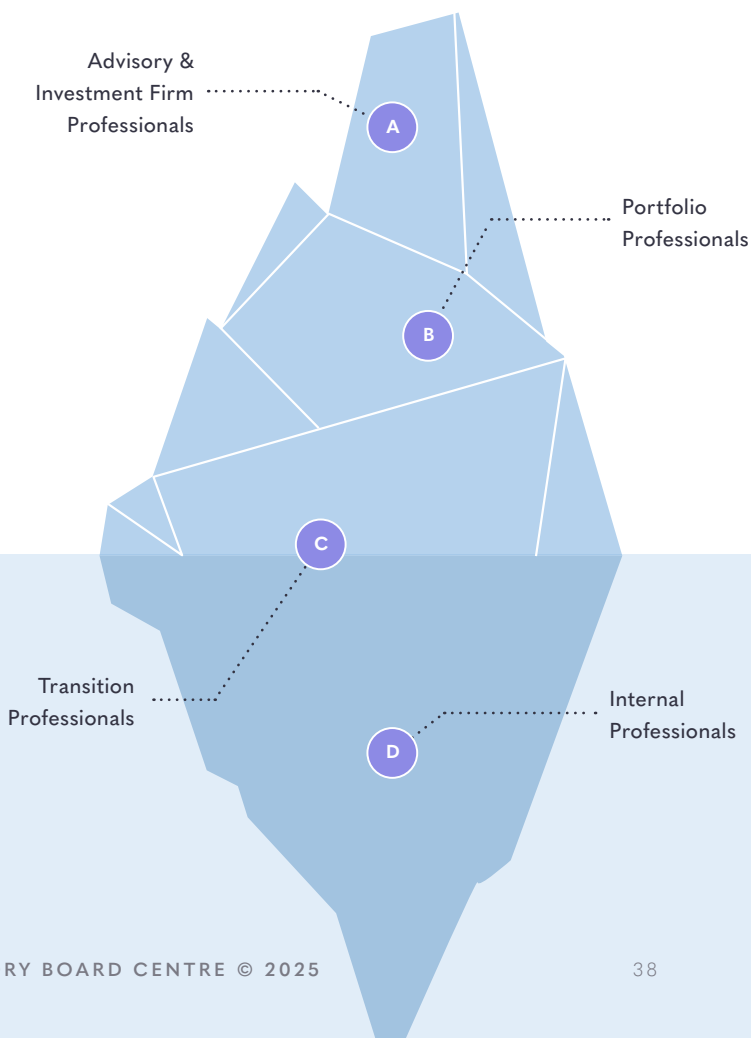
ADVISORS IN THE GLOBAL MARKET



ADVISORY BOARD PROFESSIONALS

The collaborative ecosystem of advisory professionals can be understood through the identification of distinct but interconnected roles, both external and internal to the organisation. External contributors, such as advisory firms, portfolio professionals, and independent advisors, operate outside the organisation's formal structure, bringing diverse external expertise. Internally, roles including directors, executives, advisory board sponsors, and secretariats are embedded within the organisation, acting as key connection points between the advisory board and the organisation's leadership.

Together, these external and internal roles form a networked ecosystem, each with a unique position and purpose, collectively shaping how advisory boards operate and deliver value.



ADVISORY & INVESTMENT FIRM PROFESSIONALS

Firm provides a broad range of services, including professional advisory boards

Invest in best practice to add quality, value and impact to clients

PORTFOLIO PROFESSIONAL

Active advisory board engagements in portfolio working with multiple organisations in multiple ways

Invest in credentials for personal brand and quality practice

TRANSITION PROFESSIONALS

Executives, business owners or investors planning to exit current role in 3-5 years

Invest in own professional development to fulfil advisory role function now and for their future

INTERNAL PROFESSIONALS

Includes Sponsor and Secretariat that participate in advisory boards internally

Invest in best practice and guidance for establishment, facilitation, member selection and governance

THE PORTFOLIO PROFESSIONAL

A portfolio career, also known as a board career, is when an individual pursues more than one engagement or source of income simultaneously. Usually the individual applies their various skills to different types of work from advisory board roles, governance board work to projects/part-time work, creating a diverse portfolio of work and income streams.

MOTIVATORS TO PURSUE A PORTFOLIO CAREER



Purpose
& meaning
in work



Desire
for flexibility
& control



Exploring
diverse career
paths



Interest
in continuous
learning &
development



Global
ambitions



Health
& work-life
balance



THE ART & SCIENCE

Portfolio professionals value reciprocal networks where they both contribute to and benefit from their connections. Ethics play a crucial role in building meaningful and value-driven networks extending beyond mere transactional exchanges. While fee-based connections may offer short-term gains, truly impactful networks are built on trust, mutual respect, and a shared commitment to long-term success. By prioritising ethical engagement, professionals can create expansive and deeply valuable networks, providing strategic, purpose driven opportunities that are beneficial for all involved.

DEVELOPING A SUSTAINABLE PORTFOLIO

Transitioning from traditional employment to a portfolio career including advisory board roles requires individuals to redefine their value proposition, moving from operational decision-making to a more strategic and influence-driven role.

One of the key challenges is navigating the variability of engagements, including remuneration structures, time commitments, and the need for continuous professional development. However, this transition also opens opportunities for greater flexibility, diverse industry exposure, and the ability to leverage deep expertise to create meaningful impact. Professionals must balance their advisory contributions with maintaining independence, managing conflicts of interest, and ensuring they remain adaptable to evolving organisational needs.

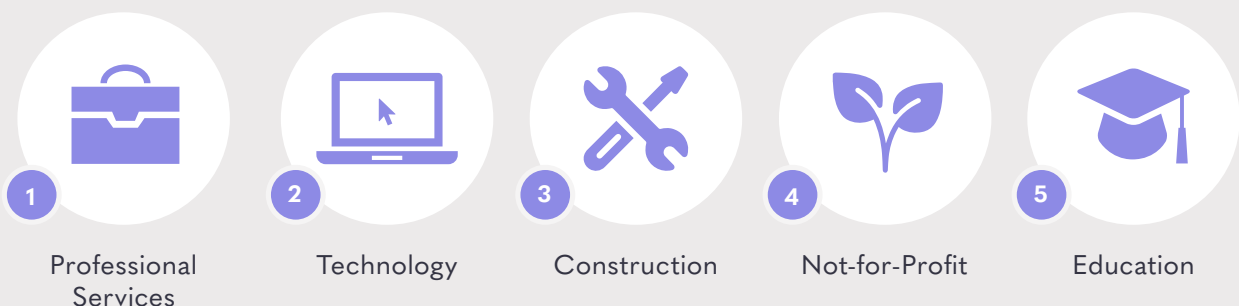
HOW PREPARED DO YOU FEEL TODAY TO BUILD A SUCCESSFUL, SUSTAINABLE PORTFOLIO CAREER?



BIGGEST ROADBLOCK TO DEVELOPING PORTFOLIO

1. Time constraints
2. Networking and building connections
3. Balancing multiple commitments
4. Process to specifically activate a portfolio career
5. Confidence in personal brand
6. Financial concerns
7. First opportunity barrier
8. Geographical and cultural barriers
9. Understanding advisory roles
10. Skill development and upskilling

OPERATING IN TOP 5 KEY SECTORS



MANAGING A PORTFOLIO

Advisory board professionals may hold a number of roles, including, for example, in advisory and governance boards, as an interim/fractional executive, and in coaching, mentoring or investing.

When managing a full-time portfolio, most professionals will have up to half of their engagements as advisory boards.

The increase in mandated and specialised advisory boards potentially increases the risk for individual professionals.

Professional indemnity insurance cover access varies globally and professionals will need to navigate their own risk

profile more intentionally and have clear management protocols in this changing environment.

Engagement and remuneration models are evolving as the sector is more valued, recognised and formalised.



2-6

engagements held
at any given time

COMMON PORTFOLIO ROLE TYPES

Advisor

Director

Consultant

Mentor

Investor

Interim/ Fractional
Executive

Internal Executive

Business Owner



THE ART & SCIENCE

When professionals hold multiple roles within an organisation, maintaining ethical independence can be challenging. Clear boundaries and professional conduct are key to avoiding conflicts of interest. A growing trend, especially in family businesses, is the “advisory board of one” often led by a trusted advisor. While this model offers valuable expertise, its effectiveness relies on the advisor taking a facilitative, not protective, role. Managing blended roles well requires knowing when to engage and when to step back. Best practices include thorough due diligence, clear protocols, and a consistently independent, strategic mindset to ensure value without compromising ethics.

RISE OF SPECIALISTS AND GENERALISTS

Specialist advisors are being sought to support advisory board discussions, offering deep industry insights and future-focused thinking. However, delivering expertise in an advisory board setting requires a distinct approach from the advisor, one that differs significantly from the way specialists typically contribute as executives or consultants.

On an advisory board, the role of the specialist shifts to enabling critical thinking and supporting structured decision-making by the Sponsor and executive team. This means asking questions rather than giving directives, highlighting optionality rather than prescribing solutions, and offering objective, provider-agnostic insights, so the organisation retains ownership of the final decision.

The specialist advisor's role is to equip the Sponsor with the right questions and frameworks to assess trade-offs and impacts, rather than pushing for a specific outcome.

This shift in approach demands a high level of professional maturity, balancing deep expertise with facilitation skills to foster open dialogue, challenge assumptions, and encourage broader critical thinking at the advisory board table.

By embracing the advisory mindset, specialist advisors help accelerate clarity, strengthen decision-making, and enhance the organisation's ability to respond to change without compromising their independence or the integrity of the advisory board process.

ADVISORS IN DEMAND

+42% Sales & Marketing

+15% International Markets

+12% Technology/Digital

+11% Sustainability



THE ART & SCIENCE

What about the generalists? While specialists offer deep technical expertise in specific domains, generalists excel at connecting the dots across disciplines, functions, and external trends, helping to identify blind spots and ensure balanced discussions. Generalists who are well-versed in strategic thinking, governance, and facilitation, help to synthesise complex inputs and challenge overly narrow or siloed views, ensuring that specialist advice is considered within the broader organisational and environmental context. Generalist chair roles will be on the rise as ongoing management of advisory board strategies align within governance systems.

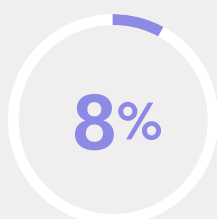
ADVISORY BOARD ENGAGEMENT

Advisory board engagements vary widely in engagement style ranging from pro bono contributions (20%) to equity-based arrangements (8%) or fees based (70%) reflect both the advisor's preferences and the organisation's needs and budget. Determining what is fair and ethical requires a professional assessment, with all parties openly considering factors such as value exchange, fairness, potential consequences, and triggers for review. Transparent conversations upfront, help ensure alignment, ethical clarity, and sustainable relationships between the advisory board participants and the organisation.

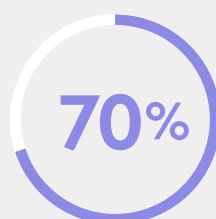
TYPES OF ADVISORY BOARD ENGAGEMENTS



Pro bono
contributions



Equity-based
arrangements



Fees
based

THE FAIRNESS TEST

What are the options?

What is the value
exchange?

Is the option fair for all
parties?

What are the intended
and unintended
consequences?

What would be a
milestone that would
trigger a review?



THE ART & SCIENCE

How are advisors engaged? Advisors have diverse personal motivations and financial considerations that influence their willingness to accept different remuneration models. While some may choose to contribute their expertise pro bono or through equity-based compensation, others rightfully expect financial remuneration for their time and experience. Limiting participation to only those willing to serve without pay risks narrowing the pool of qualified advisors, potentially excluding highly experienced professionals who could bring valuable insights and strategic impact to the advisory board. A balanced approach to engagement options ensures access to the right expertise while maintaining fairness and sustainability in the advisory sector.

EVERY ADVISORY BOARD HAS IMPACT.



The State of the Market report is an initiative of the **GLOBAL RESEARCH COUNCIL** to investigate how organisations and professionals are engaging with advisory boards. The State of the Market research findings in this report are based on surveys, case studies and market analysis to form a holistic picture of the global advisory landscape.

We would love to hear your experiences with an advisory board, in whatever role you play. These stories contribute to our living research agenda and deepen our broader knowledge of the sector.



SHARE YOUR STORY

If you've been on a board or utilised a board, **TELL US YOUR STORY.**

DEFINITIONS

Advisory Board

An advisory board is a structured, collaborative method for organisations to engage external advisors. At its core, it is a “problem-solving model” and a “thinking-system”.

ABF101: Advisory Board Best Practice Framework™

The global standard for advisory board best practice. The ABF101 Framework includes core principles to support organisations of any size to benefit from their advisory board providing adaptation to the organisation’s needs and operating environment.

Certified Chair™

A credentialed professional who has undertaken specialised professional development in advisory board best practice and ethical engagement. They have the knowledge, expertise and resources to support organisations in advisory board implementation and facilitation.

Governance Boards

A Governance Board (also known as a Board of Directors or Statutory Board) is a group of individuals who are legally responsible for the governance, control, direction and management of an organisation. At its core, a Governance Board is a “decision-making model”.

Governance System

The ecosystem of governance boards and advisory boards working together.

REFERENCES

Visit the *2025-2027 State of the Market* webpage for research methodology and references. [CLICK HERE.](#)

HOW TO REFERENCE THIS REPORT

2025-2027 State of the Market Report; Global Research Council; Advisory Board Centre; Research Lead
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