



# Ignorance - is it really bliss?

## Accessing the 'right expertise' in the 'right way' for scaling companies

Good business decision making is underpinned by informed opinions. Ensuring that decision makers have the information and insights required to make good decisions is key to business success. However, accessing the right information and insights is challenging. This requirement has spawned a large and growing industry - Expert Network Management. Companies such as Gerson Lehrman Group, Third Bridge, Alpha Insights and Guidepoint support large corporations, PE funds and consulting firms to access the specific expert support they require. This industry sector is worth over \$1.3bn annually and growing at double digit rates each year. Expert network managers provide significant support in defining the expertise required, engaging effective experts and ensuring the expertise is imparted in effective formats. These expert managers have become valued partners to these large organisations, in spite of the breadth and depth of expertise already existing within many of these organisations.

By contrast, smaller scaling businesses face even greater uncertainty with significantly less internal resources. Informal networks are often tapped, but this process can sometimes be haphazard and favour-based, with limited focus on ensuring that the expertise required is appropriately defined and matched with the right expert. The right expertise in the right format could be particularly valuable for scaling organisations.

The **'right expertise'** requires a combination of:

- Expert knowledge and experience
- Ability to understand specific business situation and requirements
- Ability to impart knowledge in a way that is relevant and makes sense to the business
- Values alignment
- Availability and affordability

The **'right way'** is a combination of the type of engagement and timing. It could take many forms:

- 1 hour call
- A number of brief calls over time
- Project
- Part-time
- Forum with different experts
- Non exec
- Full time

Getting this right could unlock significant value. Getting it wrong is at a minimum time wasting and at worst value destroying.



Expertise is valuable at any time, but perhaps now where the uncertainty levels have been ratcheted up across the board, expertise may be of even greater importance in addressing some of the questions / challenges faced.

Bringing in the **'right expertise'** in the **'right way'** could be invaluable and help you unlock some of the unusual challenges entrepreneurial organisations are currently facing.

We've encountered a broad number of situations where the right expertise has unlocked significant value to scaling businesses. Here are some examples:

### **Expert opinion call**



*A VC backed client had begun to consider potential exit options for founder and VC to realise some value. The business is not complex and avails of external support on accounting. They do not have anyone in the organisation with deep transaction expertise outside of support from their VC. The CEO needed some advice on how to prepare for upcoming discussions and how to weigh up alternative corporate finance advisor options. A series of calls with a highly experienced CFO provided invaluable insights for the CEO. The experienced CFO was able to review plans and models and highlighted a number of areas where CEO should refine his approach.*

### **Interim finance support**



*A client had recently closed a PE investment round. They had initiated a search for a new CFO but needed strong finance leader in place immediately. A finance director with strong track record of interim financial placements came on board to manage finance and reporting until this could be handed over to new full-time appointee.*

### **Growth Council concept**



*An organisation with highly ambitious international scaling plans recognised that could not afford the in-house resources required to navigate the ambitious scaling agenda looked to a new model to access broad array of experts required. The CEO coined the phrase 'Network Management System' to describe his organisation structure. He recruited a set of international experts with very specific skills and experience that could support his organisation deliver on a very ambitious international scaling programme. The experts were engaged to work on part-time basis – with their time commitment varying depending on specific stage of the scaling programme. Although part-time, the CEO believed that it was essential that they embraced the unique culture of the organisation. This was a key element of the selection criteria and was further reinforced by bringing together the growth council to meet in person for two days, three times a year. This Growth Council played a crucial role in accelerating the learning within the organisation and delivering a highly successful scaling programme.*

### **Technology NED**



*Organisation with a strong position in established industry required a new non-executive director with deep understanding of new technology trends to support the organisation as they navigate changing consumer and business environment. An NED with broad experience of technology as an investor and extensive experience as a non-exec in other organisations was appointed.*

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If you would like to talk through how to approach getting external expert insight, O'Malley Sorohan may be able to help:

- We have a broad network of people who have deep expertise in specialised areas
- We understand broadly the different challenges that businesses are going through currently
- We know how to match / evaluate those challenges with the right expertise