

# Peer Power

Many successful business owners are turning to peer advisory groups. Here's why...

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"I don't really want my internal people to know everything about my business's pain points.

"I'm great with financial issues, but need help with more creative areas.

"I may not be taking all the right steps to evolve my business."

"It's lonely at the top."

"My team just isn't as invested as I'd like them to be in business growth."

All of the above are common laments of small and midsize business owners. These executives have all the responsibilities and challenges of corporate CEOs – without the infrastructure, advisory boards and staff depth to assist them in brainstorming and problem solving.

Once a month, Gretchen Shugart, CEO of TheaterMania.com, meets with a group of 10 to 15 business leaders. Over the past three years the group has grown to trust each other, and they now share their day-to-day and long-term strategic issues and talk over solutions. Yet, none of the other people at the table work for TheaterMania.com. They are all part of Vistage (formerly TEC), a 50-year-old peer member organization. "Each peer member brings something different to the meeting, and I always learn from the other members and get a chance to help them, which is rewarding," says Shugart.

## Whom Are Peer Advisory Groups For?

Peer advisory groups are typically geared toward executive-level management and entrepreneurs.

Unlike networking groups, their primary purpose is to provide a "safe," non-competitive forum for problem solving, sharing best practices and, ultimately, contributing to the success of members' businesses.

Although networking and lead generation may be a side benefit of involvement in these groups, it is not their primary purpose.

Typically, these groups involve a membership fee (either annual or quarterly) and have specific requirements for membership and tenure. Robert Catanese, president and owner of Renaissance Executive Forums in White Plains, N.Y., also looks for a particular set of personal characteristics in prospective members. "They should be success-oriented – driven to reaching the next level in their personal and professional lives. They should be willing to change how they lead or how they run their business and be curious about what others are doing." Also of utmost important to Catanese is how the group "fits." Because respect and trust are key components of these groups, personalities and business skills must complement each other.

"Each member needs to be committed to the process," adds Shugart. CEOs usually have strong egos and are used to making quick decisions. "We have to retrain ourselves to slow down and listen more carefully before giving each other advice. Listening is key to helping each other," she says. Karen J. Smith, president of The College of Westchester in White Plains, N.Y., and a member of Executive Renaissance Forums, says her organization has already taken action based upon recommendations made during her peer discussions. "Having the experience and knowledge of others who are also presidents has been helpful in expediting challenging decisions with confidence," she says.

Darren Port, president of Powered by Professionals and a two-year member of Entrepreneur Organization (EO), has not only derived tremendous business benefit from his peer group, he has received personal inspiration from other members. "A member of my group had been on Oprah four times this year. Another sold his company for \$50 million. A third trained for an Ironman Triathlon while running two companies. His wife was pregnant with twins and he had a 15-month-old at home. He raised \$132,000 for charity during the race. These are the types of people I met who helped teach me how to expand my thinking and believe that nothing is impossible."

Of course, not all peer group members are triathletes, but most groups put at least some emphasis on life and work satisfaction. Catanese stresses "quality of life and peace of mind" as being essential to top executive performance.

## How Do They Work?

Each group has a different fee structure and membership criteria. Some require a firm commitment for a period of time, while others are somewhat flexible. Typically, the group meets monthly (often for an entire day) and discussions are led by a facilitator. Most involve outside speakers and “resource experts” on a particular topic. These focus areas are usually driven by the interests and needs of the group and include topics ranging from operational concerns such as raising capital and selecting insurance to individually relevant issues like estate planning and presentation style. Individual executive coaching is also offered by many of the groups.

Most groups have a general structure (meeting length, format, ground rules) that applies to their sessions, but as a group’s members get more comfortable with each other, the agenda and content usually evolve, based on the individuals’ unique issues and areas of interest. “There’s a high level of loyalty among group members,” emphasizes Shugart. She points out that sometimes when a business owner presents a “pain point,” the rest of the group will home in on a different but related issue and will see things that the business owner might not. “This, in effect, is one of the main purposes of the group. There’s no point in joining if you just want to be told what you already know.”

The size of these groups varies. Some groups have a strict cap on the number of members because they believe a more intimate organization leads to better communication and contribution. Others will expand to create the right “balance” of members, ensuring that they have representatives from a variety of disciplines and industries.

## What About Confidentiality?

Trust is a significant aspect of a successful peer advisory group. Port stresses that one of the values of a group is “having a place to share situations, both on a personal and business level, with people in a confidential format.” The role of the facilitator is to help build a sense of safety and mutual support within the group.

Groups require that each member sign a non-compete/confidentiality agreement. “Even describing business issues outside of a meeting, without names, is considered an unacceptable practice,” notes Catanese. “A serious breach in confidentiality would result in a member being asked to leave.”

## How to Find the Group That’s Right for You

Sometimes members will refer friends and colleagues to their groups. Facilitators are often on the lookout for new members who would bring a valuable perspective to the group and have new skill sets or perspectives. Group facilitators and members alike advise that business owners who are considering becoming part of a peer advisory group attend a couple of meetings as a guest first (assuming the facilitator and members are comfortable). On the next page is a listing of several New York area peer advisory groups and information on how to contact them.

Some questions to consider when deciding to join a group are:

- Will I be able to commit the time, energy and brainpower to make this work for myself and my peers
- Can I be truly comfortable sharing aspects of my business with this group?
- Do I respect or like the other members of the group and the facilitator?
- Do their experiences and backgrounds complement my own?
- What do I believe I can bring to a group like this?

Above all, prospective members should keep an open mind. As Catanese states, members who get the most from peer networking are “people who are willing to change how they lead or how they run their business and are curious about what others are doing. We all have islands of experience... The peer advisory process moves practical experience from those who have it to those that need it without reinventing the wheel.”

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