

A Proven Path to Business Breakthroughs

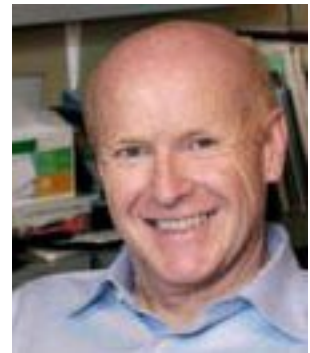
By Dan Richards

June 14, 2011

Advisor Perspectives welcomes guest contributions. The views presented here do not necessarily represent those of Advisor Perspectives.

A common complaint among advisors is the difficulty of implementing new initiatives. “I’ve got lots of good ideas and fundamentally know what I need to do,” one successful advisor told me recently, “but I struggle with making those ideas happen.”

This advisor is far from unique – in my conversations with advisors, implementing change often tops the list of business challenges and frustrations. To advance your business, one proven strategy that has demonstrated remarkable success over not just years but decades is tapping into the power of peer-performance groups.



The power of performance groups

The concept behind performance groups is simple – a compatible group meets on a regular basis, with the goal of helping each other succeed. Participants make an absolute commitment to keep conversations confidential, so that everyone is free to speak honestly.

The idea isn’t a new one – at the turn of the 20th century, Andrew Carnegie attributed much of his success in dominating the steel industry to a “mastermind group” he especially established for this purpose. Napoleon Hill wrote about mastermind groups in “*Think and Grow Rich*.”

Top producers in many industries have participated in quarterly or semi-annual “*study groups*.” And one of the key benefits of belonging to the Young Presidents Organization (YPO) is the chance to participate in peer-advisory “forums”; right now there are 1,500 YPO forums operating around the world, each with eight to 12 members – many YPO members say these groups are the highlight of their membership.

There are three key benefits to a peer performance group:

- You have a group of people helping you address your business challenges, offering different perspectives and points of view.
- Your performance group can bring different resources and connections to the table.
- Participating in the right performance group creates accountability and helps you maintain motivation.



Making a performance group work

Getting a performance group going requires a number of decisions – the number and composition of participants, frequency and duration of meetings and the agenda for each meeting. You also need a process for dealing with any tensions or disagreements within your group.

- *Number of participants:*

Most successful groups have between six and 10 members. While there are always exceptions, this size has been proven to optimum.

- *Group composition:*

The composition of groups is critical for them to succeed – whoever organizes it needs to give careful thought to who will participate. For these groups to be productive, there needs to be a minimum threshold of compatibility among participants in terms of level and direction of their business.

A key decision is whether to have advisors in the same office, firm or community or to draw participants from different regions and firms. Drawing from various regions can provide different perspectives, help avoid conflicts and ease concerns about confidentiality; an offsetting factor is that travel can make the logistics of meeting more complex and make informal “check ins” among members between meetings less likely.

- *Ground rules:*

Ground rules need to be clearly established and agreed to – not just maintaining confidentiality, but treating the commitment seriously and making meetings a priority. That includes a no-Blackberry rule, aside from scheduled breaks.

- *Meeting frequency:*

As a general rule, performance groups meet annually for a one- or two-day “retreat,” often focused on annual planning, and then four hours monthly. Rather than meeting monthly for half a day, some groups that draw from a wider geographic area meet every two or three months for a full day. In addition to the monthly meetings, in some performance groups members hold one-on-one lunches each month to get into more depth on business issues, rotating the person with whom they meet.

- *Where to meet:*



There is a roundtable discussion of the most important thing that participants learned in the last month.

- *Break* *15 minutes*
- *Deep dive* *45 minutes*

One member provides an in-depth presentation of the structure, direction and challenges of his or her business, followed by a discussion among the group, with a view to suggestions and ideas to consider. Some advisors have said that the simple process of preparing the analysis of their business for their presentation provided huge value.

- *Focus discussion* *45 minutes*

The group discusses one common issue of concern that was identified at the last meeting as a priority. Members might have submitted written thoughts on this in advance of the meeting; in some cases there might be a short period in which the group splits in two to discuss this issue.

- *The next 30 days* *30 minutes*

Each member briefly outlines the key goals that he or she is committing to for the next month – these are circulated after the meeting and will be the basis for accountability the following month.

This agenda is just a starting point – some groups occasionally invite guest speakers, who might replace the deep dive or focus discussion at some meetings.

For annual retreats, a different agenda will be required.

Maximum value from performance groups

For advisors looking to maximize the value of participation in a performance group, a book was recently published titled *Forum: The secret advantage of successful leaders*.

Here's an excerpt from the site promoting this book:

During moderator trainings and retreats, one of the questions I'm often asked is, "What are some ideas to take our forum to the next level or to get out of the routine?" The following are five ideas:

- *Two Retreats Per Year:*



My Forum started to notice that the retreat was always the highlight of our year. At the end of each retreat we were pumped and connected. We also noticed that the quality of our meetings and our connection started to diminish within months. So we started doing two retreats.

- *Selfish is Good:*

After about 18 months of being in Forum, our moderator decided that he was not pleased with his Forum experience. He asked a more seasoned member to meet with our Forum for 15 minutes – it was an illuminating meeting to say the least. He explained that his Forum was stagnant until the members began to take responsibility for their own experience by speaking openly and by speaking up when something was not working.

- *Look Forward/Look Back:*

In selecting presentations I often ask, "What would have to happen in three to five years in order for you to have made significant progress in your life? How can the Forum help you get there?"

- *The More Personal The Better*

When my Forum started we spent about 80% of our time on business issues. After about three years we noticed that 80% of our presentations were either personal or a personal reaction to a business issue. We also found the experience more meaningful.

- *Step Outside the Comfort Zone*

I was recently attending a Moderators meeting and one of the moderators shared this gem: "We were at a point where presentations were becoming boring. I asked each member to identify what issues would be awkward or uncomfortable? That's what we talked about!"

Getting started

Like most worthwhile things in life, developing a successful performance group takes a significant amount of up-front work. If this idea appeals to you, a good starting point is to raise this with one or two people with whom you'd like to participate in a group. Broach the topic over a cup of coffee and if they're open to this brainstorm other advisors you might invite to participate.



Of course, there's no guarantee that a performance group will have the same powerful impact for you as it has for others. That said, with the right level of thought and commitment, a peer-performance group can overcome the frustration of having good ideas but struggling to implement them – and could play an instrumental role in helping you achieve a breakthrough in accelerating your business to a higher level.

Dan Richards conducts programs to help advisors gain and retain clients and is an award winning faculty member in the MBA program at the University of Toronto. To see more of his written and video commentaries and to reach him, go to www.strategicimperatives.ca.

www.advisorperspectives.com

For a free subscription to the Advisor Perspectives newsletter, visit:
<http://www.advisorperspectives.com/subscribers/subscribe.php>