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Differences Between Mastermind Groups and Peer Advisory Councils

With years of experience, we're diving into the main differences between mastermind groups vs. peer groups. Let's begin!

Some big challenges exist within the [peer group](#) industry, one without agreed-upon standards, certification, or regulation. There are no conferences to attend to learn best practices or predict future trends – nothing and nowhere to go to help upgrade your knowledge. There is no certification process to qualify yourself as an expert. So let me give some definitions of terminology. Let's start at the beginning.

Mastermind Groups vs. Peer Groups

Peer and Mastermind terms have been used interchangeably, but there is a difference.

What is a Business Mastermind Group?

The word mastermind originated in 1925 when Napoleon Hill coined the concept in the book "[Law of Success](#)." In 1937 in his book "[Think and Grow Rich](#)," Hill described the Mastermind principle as "The coordination of knowledge and effort between two or more people who work towards a definite purpose in a spirit of harmony...no two minds ever come together without thereby creating a third, invisible, intangible force, which may be likened to a third mind," also known as the Mastermind. However, over time the [meaning of the word has evolved](#).

Mastermind groups have become in fashion for organizations and entrepreneurs to assemble. These groups center around compiling a group of clients to advance a program they have



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developed. It's a way to get their students together to leverage supporting them for implementation and understanding. Many times, it's an extension of the initial program for an additional revenue stream or a way to continue the client relationship.

The participants may have varied backgrounds, different careers, and nothing in common other than the actual subject of why they are in the particular group of the person leading it. Often the person leading it is a subject matter expert on the group's theme, so the participants are there to learn more from the "master."

The point is that mastermind groups are those where the leaders' intellect is primarily given to those who are the members. The topic of discussion is very narrow to the niche of the mastermind group. And learning is supported more by the group leader vs. the participants.

What is a Business Peer Group?

The word peer [began its popularity in the 50's](#) when business peer groups were finally becoming known, and the industry was born.

A peer group comprises people with a shared interest and purpose. Each member has a similar level of experience or knowledge. All share a common goal: learn from each other – how to be smarter, do something better, and make wiser decisions. While their experiences will vary, their level of sophistication will not. They need to feel like they are with peers they can learn from.

Likewise, members must believe they can contribute to others' success by sharing their experiences and insights. Feedback derived and confidence gained from peer group meetings will help members make unprecedented advancements that lead to "Aha!" moments of clarity.

A peer group is a group that meets regularly under a confidentiality agreement as a sounding board to gain input, insights, and perspectives on challenges, opportunities, problems, or ideas. The topics discussed can be both narrow and broad. Additionally, topics can be both about the company and the person participating. When used in privately-held companies, it is an alternative to a formal board of advisors commonly required at public companies.

Peers can help each other and help themselves simultaneously. A trusted, unbiased group of peers you know will maintain confidentiality and not judge you allows members to be vulnerable to learning and growth. With a peer group, the intellect is from the members. Not the leader of the group. The leader of the group's role is that of the moderator, not a teacher.



The Dilemma Between “Moderating’ and “Facilitating”

There is much confusion around the definition of moderator vs. facilitator. In our industry, it is used interchangeably, adding fuel to this confusion even more. Additionally, many organizations call individuals that lead groups, facilitators, moderators, chairs, leaders, guides, and more.

These are all names used to describe the same role: someone leading a peer group meeting. It can be like comparing people with sales leadership titles of VP of Sales, Director of Sales, Chief Sales Officer, Sales Manager, etc. You know their role encompasses sales, but you are not sure of their scope of responsibility. Many of these names are tied to specific organizations, so I'll tackle the most common misnomer: the difference between moderator and facilitator.

What is a Moderator?

One whose presence within the group is acknowledged by the group and whose actions are mostly transparent to the group. The moderator encourages open dialogue while guiding the group's dialogue toward leadership growth and personal learning.

The moderator's responsibility is to guide discussions and encourage ideas, openness, and debate. They are to expose a variety of perspectives.

Moderators are:

- **Knowledgeable** about the type of group they are leading. They do not have to be subject matter experts in the type of group they do, but they have to have a good general understanding of their type of group. Understanding the vernacular is important to guide the discussions. It's important because when conversations are happening around the boardroom table in your meeting, knowing what your members are talking about helps you moderate the meeting. It helps you know when to move the conversation on or let it go for a while longer. **For example:** if you are leading a family-firm group, you do not have to have been involved in a family firm, or have had your family run a business together, but you should have had working experience with family firms.
- **Engaging** the group to participate in conversation equally. The moderator seeks for the conversation to be relevant and meaningful to the group. They actively orchestrate questions, perspectives, and insights, so everyone has a voice while keeping the



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conversation moving. They know how to ask probing questions to gain greater understanding and learning.

- **Monitoring** group dynamics at all times. Watching for members who might be disengaging, take offense to a comment made by another member, be distracted personally, get impatient, show their ego, etc. Understanding how conversations and comments impact members' judgments so that everyone remains open to other perspectives and listens is essential to everyone being present. They are constantly monitoring the needs of the members at all times.
- **Insight-oriented** to drive results that give “aha” moments. Peers learn from each other best through experiences shared. Those experiences cause reflection and deeper learning to solve problems or take advantage of opportunities. There is a structure followed ensuring these insights and learnings.

What is a facilitator?

- **Topic Irrelevant** to whatever the meeting is about. They do not need to understand the business or industry of their client to lead the meeting.
- **Outcome centric** by helping the group develop a plan and reach objectives set by the client. They have an agenda designed to reach the expected outcomes
- **Neutral to the results.** They have no vested interest and are unbiased.
- **Commanding** to keep the participants focused and collaborating with the dynamic conversation without getting off-topic or tangential. Is very present in leading the discussions and agenda.

I like to use the concept most of us are familiar with during election season- the political debates. The person who runs the debate is called a moderator, not a facilitator. Why? They are knowledgeable about those participating/the industry per se, look for insights and opinions to be brought out, and everyone participates. Knowledgeable, Engaging, Insight-Driven, and Monitoring.

Recap of Mastermind Groups vs. Peer Groups: Is Running a Peer Advisory Group Right For You?

It starts with a love of and passion for business. Having an entrepreneurial spirit is a key part of your core being. Running your own business, yet being part of something bigger, is energizing.



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You want to leverage your current business contacts and expertise. You like being independent and in charge of your time and your freedom, yet also value being part of a community.

You value meaningful, ongoing relationships that a recurring, monthly interaction with the same leaders provides. Building a recurring revenue stream gives you peace of mind while driving value for your business model, creating a legacy.

Take our [assessment](#) to learn if you are ready to lead one of our peer advisory councils (PaC).

 Did you enjoy this expert insight article? [Follow](#) Tina for more about Peer Advisory Councils and how to help Entrepreneurs & CEOs share ideas, solve challenges and grow together.