



What is a peer advisory council, and how do they work?

The question “what is a peer advisory group” is being asked more and more every year. Learn the basics in this article of why they can be your secret weapon as a leader running a business or senior executive.

Eight CEO'S out of 10 said they had never heard of a business peer advisory council. That was in 2005. Fifteen years later, the statistics have improved to 6 out of 10, only saying no! One or two points might seem like little progress. But it is progress nonetheless.

What is a business peer advisory council (PaC)?

A group of business peers who meet regularly under a confidentiality agreement for a sounding board to gain input, insights, and perspectives on their challenges, opportunities, problems, or ideas. It is an alternative to a formal board of advisors commonly required at public companies, particularly for privately-held companies.

What is a peer?

A business peer is a professional with the same level of responsibility or position as CEO, Sr. VP, Sr. Leader, etc., and business acumen.

What is critically important to the effectiveness of the group is that each member is with peers who have had a similar level of business experience or knowledge. The experiences will vary, but the level of sophistication will not. Think of an entrepreneur starting their first business with less than ten employees, worried about making payroll, versus a CEO who has been in business for 20 years, just made an acquisition and has managers managing managers. The two are not business peers.

As a member of a business peer advisory council, you must be able to learn from each other regularly, not occasionally. Without some equality in business knowledge, the group's longevity will diminish and not be sustainable. One member will feel like they are constantly giving advice and acting as a mentor vs. participating as a peer.



How Many Members Are in a Business Peer Advisory Council?

The short answer is no less than six and no more than 12. There are exceptions. The objective is to have enough members so you have a diversity of thoughts and experiences to share that increase the value of the dialogue but not too many so that the intimacy of the group is lost.

If you have too few members and someone misses the meeting, you lose valuable input needed, and if you have too many, it's hard for everyone to get the time they need from the meeting.

How frequently does a business PaC meet, and for how long?

The regularity of meetings is a very personal decision of the group. They could range from weekly to two times a month to monthly to quarterly. It will depend on the agenda format as well as the type of group. The objective is for the frequency to match the desired timeframe for accountability, length of meetings, and connectedness between meetings.

The length of meetings will vary based on frequency. The more frequent the meeting, the shorter; the less frequent, the longer the meeting, even multiple days. Weekly will most likely be one hour. Two times a month is usually 2 hours each, and monthly will be from a half day to a full day. Quarterly meetings will be multiple days and usually require travel.

What happens in a business PaC meeting?

In a true peer group meeting, the structure will traditionally contain the following format:

- **First: Beginning of the meeting**
 - A check-in asking the members how they are doing personally or/and professionally
 - Get updates from the last meeting
 - Hold members accountable to commitments made
 - Ask who has questions for the group that day on insights to help solve a problem, a challenge they have or check their thinking or gain experiences in evaluating opportunities or ideas.
- **Second: Learning component**
 - Have guest speakers talk on a topic of interest to the group



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- A roundtable discussion on common topics
- **Third: Member deep dives**
 - Member presentations on their business or
 - Process member questions that have them that day for the group's help
- **Fourth: Wrap up**
 - To gain learnings for the day
 - Set new commitment

Sometimes groups have members share their financials when giving presentations, some share their strategic plans or a version of the initiatives they are focusing on. These in-depth presentations typically happen annually for each of the members.

Also, as part of the member experience, many groups will elect to have annual retreats together and/or get together socially, separate from the meeting.

The other key to the agenda is whether your group has a professional moderator to lead the meeting or if it's self-moderated. If self-moderated, that is usually rotated each month, or in some cases, one member volunteers for some time. Consider whether being part of a self-moderated group is a good fit for you based on your willingness to hold this role at some point and if the other members are effective at moderating.

What is my initial commitment to join?

An initial commitment will vary depending on whether you can decide after experiencing a meeting. Some groups allow this, and others have strict rules not allowing this. If you are interested in a group that does allow "testing" a group before commitment, you can expect to either pay a fraction of the overall fee or nothing. Then, after your test, you will be expected to commit to the group for some time. The range usually is from 90 days to six months, up to a year.

If you find a group that does not allow sitting in on a meeting before committing, a guarantee will be offered so that if you are not satisfied with your first meeting, you pay nothing or a minimal fee. If a guarantee is not offered, ask to speak to a few existing members as a condition of joining.



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Do not be put off by a group not offering the ability to experience a meeting. The main reason is the confidentiality of topics that are discussed. If a guest is present, it degrades the comradery and level of trust required for the meeting the members are paying for. Even if an NDA is signed. It's not the same.

Monetarily a commitment to join will range from a fraction of the membership fee to equal to the monthly membership fee. If the fee is annual, it will be a fraction of the annual fee. For example, if the monthly fee is \$1,000, the one-time initial fee might be \$1,000 or \$600 or some version of the \$1,000. It will depend on what services are part of the membership that justify the fee.

Why should I join a peer advisory council, and how will a group help me?

It can be very lonely operating as an owner or CEO, particularly if you do not have a partner or partners and when there is no manual. Who do you talk to? Who can you confide in? Who can check your thinking? Who can inspire you with new ideas?

The short answer is your peers can help you help yourself and your company while you simultaneously do the same thing for them. That's simply the beauty of joining a CEO peer group.

Joining a peer advisory council can be the answer for you to get to the next level professionally or personally, whatever that definition may mean for you. The benefits are many, regardless of the stage of your business or the season you are in. They are always relevant:

- Have a real connection and high level of trust with your peers.
- It is hard to find other peers who have your back when you need it, who listen when you need it most, and who understand. One member said it best: "My peer council is where I see my best business friends once a month."
- You will not be judged.
- Peers will listen to you openly and seek to understand you. Their feedback is in your best interest, not their best interest. It is unbiased. And it is in a confidential environment.
- They are not your "yes" men.
- Reduce stress; increase your positive mindset.
- Do this by taking time to step away from your business, work on the business, and make progress toward what is important to you.
- Increase clarity and focus.



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- Sharing your own experiences reinforces what is going well and where areas of improvement are. The more you talk about the business, the clearer you become.
- Get more ideas and perspectives.
- Hearing what your peers are doing in their businesses is inspirational. Not everyone thinks the same, and you benefit from other approaches to solving problems or creating opportunities.
- Do more of what you do best.
- By becoming an even better leader and company, you can spend more time on what brings the most value to the company. Therefore, you'll create more success.
- Make connections.
- Be introduced to other peers whom you share synergies with and who can help you achieve more.
- Learn best practices.
- Learn of resources you were unaware of, best practices, and services or products that can benefit you.
- Increase the speed of success.
- Each month, you have time to work on your business, allowing you to take best-in-class ideas from others you trust and who have had the experience and execute them back in the company.
- Make better decisions.
- Be reminded of sound business practices or learn new ones. Find out what you don't know, you don't know.

These are just a few reasons that CEOs join peer-to-peer councils. How many of those can you identify with?

Find a group and join today!

A business peer advisory council can be a game changer for you as the leader and your business. Having a group of peers you trust, who is unbiased, and you know confidentially will not judge you, allows you to be vulnerable to learn and grow.



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Protecting your business as a founder/owner/CEO or Senior Leader is your #1 responsibility.

Participating in a business peer advisory council helps you do that. It's like you are an athlete in your business and your peer group is your coach.

It will allow you to get out in front and stay there. As A.J. Foyt, an American race car driver, said when asked how he won so many races. "I just get out in front and stay there."

Peer advisory councils help you win the business race.



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