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10 Reasons to Join a CEO Peer Group

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Growing your business is never easy. With apologies to Aristotle, Richard Franzi likes to say: “The whole effort of CEOs working together is more than the sum of those same CEOs working separately.”

I recently had breakfast with Franzi, author of *Critical Mass: The 10 Explosive Powers of CEO Peer Groups*. When Franzi could not find a book on the power of CEO peer groups, he decided to write one based on his experience as a member of one.

Franzi, a professional CEO peer group facilitator, says the idea for peer groups took off in the 1930s with the publication of the book *Think and Grow Rich* by Napoleon Hill. The book introduced the concept of master mind alliances. Business owner roundtables, executive forums and peer groups have been growing ever since.

Some of the most successful organizations offering this peer-to-peer learning include Vistage (formerly known as TEC, for The Executive Committee), Renaissance Executive Forums, Inner Circle, EO (Entrepreneurs Organization) and TAB (The Alternative Board). Typically, the groups meet monthly and contain 10 to 16 business owner members.

Personally, I have belonged to many CEO peer groups and have derived great benefit. Here are Franzi’s 10 reasons why a business owner or chief executive should join a CEO peer group:

1. Safe Haven

Confidentiality allows each member to be totally open about issues. It provides a safe environment where a CEO can work through topics that he or she is unable to discuss with others directly associated with business their business

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3. Real Feedback

When a peer member asks for unfiltered feedback, he or she gets just that. Truth can be hard to swallow sometimes, but it is good for business leaders to have their ideas challenged sometimes.

4. Guidance

The CEO peer group allows the executive to create their own personal guidance system. This steering committee of seasoned pros can be helpful when charting a course through difficult waters.

5. Motivation

The element of accountability can be underestimated by members when they are new to a CEO peer group. Everyone, from time to time, can benefit from having a respected peer hold their feet to the fire.

6. Magnification

The power of a CEO peer group includes the ability to focus the collective awareness of many executives on one specific issue. The result is an intensity of thought capable of delivering much greater mental energy.

7. Illumination

An ever present challenge for CEOs is to continue to discover information previously not known to them. When a member receives new information from the group, it is as if a light goes on for them and they can see clearer.

8. Molecular

The power a CEO peer group creates in its members a new structure for gathering fresh insights. The groups not only help solve problems, they help members grow as a leader and as a person.

9. Explosive

Most businesses, even successful ones, can develop organizational inertia that is hard to overcome. A CEO peer group can give members "escape velocity" to free them from earth bound issues (at least for half a day each month).

10. Insurance

The majority of new businesses fail. By sharing in the wisdom of others, the CEO can increase the chance of the firm to survive and thrive. By taking this one simple act, CEOs begin to turn the odds in their favor.

"Most executives who join a CEO peer group stay in the program," says Franzi, who estimates the renewal rate to be 80%. "The reason they remain are as varied as the individual members. But the power of the process is undeniable."