



## **Forming a New Peer Group: Issues to Consider**

*This information has been put together from anecdotal experience and discussions with ABC peer groups.*

### **Goal of Peer Group**

A successful peer group should establish a common goal for their group.

\*A suggested goal: To exchange best practices, ideas and engage in business-related discussions in order to improve each member's business.

### **Confidentiality Agreement**

Confidentiality of shared information is a must for peer groups – you may decide whether to enact a written agreement, or just verbally.

\*It is most often done with electrical/mechanical groups as a “gentleman's” or handshake agreement. The one general contractor group put together by ABC decided to use a written agreement, of which ABC has a draft that could be adopted for any group.

### **Meeting Format**

#### **How long?**

The most common format is a two-day meeting all day on Thursday and part/most of Friday. Saturday is open for leisure activities and/or travel home.

#### **How often?**

The most successful groups have meetings 2-3 times a year. The groups who planned to meet once per quarter often had difficulty maintaining that schedule.

It is recommended to decide upon a specific time frame in advance and then to schedule meetings based on everyone's availability as close as possible to the planned time frame. Having a set schedule (i.e. every 4 months or every March & November) helps everyone plan ahead and works best to ensure continuation of a peer group.

\*\*One very successful electric group meets every 5 months...which means they meet twice in some years, and three times in other years. They know in advance which month they will be scheduling a meeting, and then decide upon a weekend that works best for them.

## **Where?**

The recommended format is to take turns traveling to each group member's home city. The meeting can then consist of one day of meeting, and on the second day spend some time visiting the host company's place of business.

However, depending on group preference it can also be set up to meet at a host company for one meeting and then alternate every second or third meeting at a destination/resort area.

Most groups do not meet in conjunction with another ABC event (i.e. Leadership Institute, National Convention). However, due to convenience of time and location that can be an option. The only drawback to this option is that peer group meetings are often very intense, and when combined with another event, can sometimes be "too much at once."

## **Host or facilitator?**

Most groups do not use a facilitator for every meeting, except on occasion when bringing in an outside facilitator to cover a specific topic with the group. Generally, the host of the meeting acts as facilitator by preparing the agenda (with input from the group) and by keeping the meeting running effectively.

## **Meeting costs?**

Normally, all individual group members cover their own transportation and lodging costs. But, there are usually other costs involved including dinners, meeting space, drinks, etc. The most common two ways to handle this are by involving the host. You can either have the host cover all these meeting costs while in their city and then the next time the next host will cover all related costs. Or, the host can cover all costs during the meeting, keep tabs, and then divide the total costs evenly amongst the group at the end of the meeting.

## **Business only or social activities?**

A successful peer group depends not only on the idea exchange, but also on a strong foundation of personal relationships. For this reason it is recommended that all groups schedule time for social activities during the meeting. This can either be done in dinners together for the two nights while the group is in town, or can be expanded to continue the meeting with outside activities over the weekend (golf, sightseeing, etc.).

Another consideration involves bringing spouses. Most groups find that having spouses travel to some, if not most of the meetings makes sense because it not only builds a stronger personal relationship, but the spouses often enjoy spending time together too.

## **Who can attend meetings?**

Many groups have more than one person from each company who may attend the meeting (i.e. equal partners or a father & son sharing a business). It is recommended to decide in

advance if this will be accepted, and to place some sort of limit on whom and how many additional attendees could be added.

### **Other Considerations?**

The group should also consider what they feel to be an acceptable size for the peer group. Peer groups generally consist of anywhere between 5 and 10 companies.