

Special Report

Another in a series of “Client Only” special reports  
on the fundamentals of “Masterminding 101”

# “MASTERMINDING”

*MY UNIQUE PHILOSOPHY, APPLICATION AND EXECUTION OF*  
“THE” FUNDAMENTAL PRINCIPLE OF BUSINESS SUCCESS AND  
ACHIEVEMENT

From:

Cutts Group, llc  
C. Allyn Cutts

[acutts@cuttsgroup.com](mailto:acutts@cuttsgroup.com)  
[www.cuttsgroup.com](http://www.cuttsgroup.com)  
MILLION DOLLAR IDEAS

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## Preface

What you are about to read is *extremely* special/important to me.

It is my own personal “take” on masterminding. As you’ll see, I have thought deep, long and hard about its attributes, characteristics, advantages and use in my personal business.

To date, I have never before spelled out, in any significant detail, my innermost thoughts on the subject, even though I use the principle each and every single day.

### **There’s a significant reason for it.**

Of all the so called “success secrets” or principles there are in the world, I have viewed “masterminding” as a strategic, proprietary and competitive advantage-- A skill which I have incessantly cultivated, nurtured, practiced and harnessed almost all of my adult life.

**For me, masterminding stands out as the single pivotal principle with which anyone can dominate their market in a very short period of time.**

In fact, I have even created wildly successful seminars-- Specifically deploying the mastermind principle, to affect a particular series of financial and business outcomes for the participants. These seminars have personally generated for me revenues in the range of \$80,000,000 in my career overall, but that’s not the best part...

...That series of seminars has spawned more millionaires... Created more revenue, profits and wealth.. And catalyzed more business and financial successes than any other program of its kind in modern business...

That to me is the power of a mastermind... **Where everyone walks away a winner.** Where everyone walks away enhanced, encouraged or compensated for their time and thoughts.

Let me give you another small example of the power and skill which I have with the principle. This is a true, but a somewhat sad story:

A while ago, a business mastermind group which is run “for profit” (in other words, they should be competent at the mastermind process because they are getting compensated for it) asked me to speak at one of their monthly meetings. For the better part of four hours, I informally facilitated their meeting. I thought the meeting went well and the group dynamic was great, but... Immediately afterwards, the group disbanded **permanently**.

I was perplexed. *Why* would they do such a thing?

Well here is what I was told later: “*Jay, you got more out of us... More applicable ideas... More commitment... More insights... And more camaraderie... In less than four hours, than we have had since we have been*

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*together. It's kinda sad. We are retiring the group because we realize that we don't know how to run a mastermind, and aren't getting the results from it that we desire... And unless you are here every month... It just isn't worth it."*

*"We can see the difference."*

Wow. I was floored. I tried to talk them out of their decision, but they refused. That experience is why I decided to write a report about my masterminding process. I am writing it so that other business owners, entrepreneurs, managers and professionals could harvest all the benefits, opportunity, advantages and success that the mastermind principle of success has to offer.

**But here's the real truth and insight I want to make sure I convey:** What I did in that meeting was really nothing special, except that I have deliberately utilized and eventually mastered this particular principle and created a skill set using it.

You can do this too. It is not hard at all.

And what I find is that it is really fun and mutually lucrative at the same time.

Anyone can create, conduct and optimally use a mastermind to achieve his or her specific goals in business, and in life for that matter. (Although business will be the domain which I will be talking about today).

**And everyone, if they desire to get ahead in life and business,  
should create at least one mastermind in their life  
and maximize it to its fullest advantage.**

In this report, I am giving you the chance to "model" me, my mindset and my mastermind approach. My desire, my outcome, my goal in this report is to show and share with you exactly how I do it for myself and my clients.

## Introduction

In preparing for this report, I asked my staff to scour the Internet looking for relevant and useful "masterminding" information. (There are well over 21,000 references to masterminding depending upon the search engine you use.) Most of it is redundant, dilutes/trivializes/generalizes the concept and/or makes it so esoteric that it neutralizes the impact of its tangible power. It's really sad to me.

**Because the potential and immediate power and impact  
of a mastermind on/in your business can be awesome!**

In this special report, I am going to discuss my personal views, philosophy, methods, techniques and tactics on masterminding which I think are relevant to you getting the maximum advantage and benefit from your use of the principle. I don't think you'll find them anywhere else in print, and definitely never in one place before from a person who uses the principle continually and is massively compensated for it.

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Let me give you a couple more important thoughts before we get started:

- I think, even if you used just a couple of my proprietary ideas, you could easily double or triple the impact a mastermind has on you and your business in terms of revenue and profits. **This is my main strategic focus**. I strategically use masterminding to make myself and my clients more revenue, profits and wealth.
- I am intentionally attempting to simplify the concept. To make it less complex and to create actionable steps for you here. But please do not confuse simplicity with ineffectiveness, as most businesses do. Make no mistake: **The concept is very powerful and you owe it to yourself to deploy it.**

Look at this way: What I am suggesting is that you view masterminding the same way you would look at utilizing a computer in your business. Today, computers are a must have. You can't function in business without them. I am suggesting that you utilize masterminds the same way.

Sometimes, one multi-purpose computer works. Other times a targeted focused computer works for a specific application. Masterminds are kind of like that for me.

- Some of what I may write may not appeal to you, especially if you've followed and fervently believe in Napoleon Hill's work. It's not that I don't value what Napoleon Hill wrote, (his body of work is the quintessential book on success and achievement) it's just that I have cultivated my own views on the subject which have helped me and my clients. (Besides, what good would this report be if I just reiterated his thoughts on the subject?)

Let me say it again differently: Napoleon Hill's treatise on the power of the mastermind is the de facto standard for business success. I just have my own emphasis, interpretation and utilization of the principle.

- Like any other tool or asset, masterminding can be applied or it can be squandered. It's really your choice. It's easy to compromise/neutralize the results and that's why I am going to spend a significant amount of time talking about how you can maximize it to your benefit and advantage.

My goal is to share what I know about masterminding which has dramatically and financially impacted thousands of companies, in a way which is digestible, applicable, actionable and integratable into your daily business life.

### A Little History: Napoleon Hill and Masterminding

Before I get started talking about my use and advice on masterminding, I thought a little history might be useful:

- Napoleon Hill was the first to coin the term "Mastermind". His work in this area was commissioned by Andrew Carnegie, the steel industrialist. Mr. Carnegie

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gave Napoleon letters of introduction which allowed him access to 500 of the leading businessmen, inventors and civic leaders, to learn their own unique secrets and principles of success. These were documented in a series of books and reports called the **Law of Success**, which were then condensed into **Think and Grow Rich**.

- Napoleon Hill discovered and documented the fact that all of the successful people he interviewed had a mastermind supporting/surrounding them. It was very consistent. Some were very open about it, and some protected their mastermind from view from the outside. But all used the principle massively and deliberately.
- It is important to note that Napoleon Hill did NOT invent the concept of Masterminding, nor was he the first one to articulate it. Masterminding has been done *regardless of the culture* down through the ages. (But Napoleon did give it a name which stuck.)

For instance, remember the Camelot, King Arthur and Knights of the Round table?... That's a mastermind... Ben Franklin, in his autobiography, called his mastermind a "Junto" (His Junto helped start the first library system in the United States. He also presented a paper to the Junto on the necessity of starting a fire company to handle the fires in the community. From this start in the Junto, one of the first volunteer fire companies in America was established).

Remember the founding fathers and the creation of Declaration of Independence? That was the mastermind process in action... Remember Aristotle, Socrates and Plato? They all had masterminds.... What about congresses, parliaments, and cabinets? Those are also masterminds... There are dozens of religious examples too. I could go on indefinitely.

My point is that from this day forward you want to start sensitizing yourself to how other people, in other contexts, in other cultures, are applying the mastermind principle. You'll begin to see applications in your own business and personal life. The effect is really quite profound because you begin to see how the principle could be applied in all sorts of situations.

Then you'll also naturally begin to open up and receive all sorts of people's input, feedback, and information from unintended and unexpected places. And you'll begin to appreciate and value it. It'll eventually become a way of life.

Creating masterminds is part of history **and the future** of human progress. The Internet is all about dynamically creating "digital masterminds". You'll soon find that if you want to make faster progress with less effort, **masterminding is one of top strategies among successful people**.

It really works. But most people don't know to deliberately, optimally and effectively use one to forward their business or career.

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- If you want a good, solid overview on what masterminding is, Napoleon Hill's books, **Think and Grow Rich** and **The Law of Success** are the best from a business perspective. Although they were written 70 years ago, they are just as relevant today, as they were when he wrote them. They have truly stood the test of time.

(By the way, Masterminding, combined with the other 16 success strategies of Napoleon's provides a wonderful context for achieving success. I have read the book at least 15 times and I get something out of it every time I read it.)

Here's where I digress from Napoleon's work: In his books, Napoleon approaches the concept of masterminding in an esoteric, metaphysical, psychic, almost spiritual sort of way. I don't and never did.

**I relate to masterminding as a scientific, practical, repeatable and pragmatic principle, strategy and skill for... Reaching your goals... Achieving success... Finding a solution/remedy... Massive Innovation... And business optimization. I use it the way physicists use the law of gravity. Physicists don't necessarily understand the law of gravity in order to be able to use it.**

A quick and simple example is in order.

One of the games which business trainers use to teach teamwork is to give a puzzle to a group. Initially, each person has to work separately in coming up with the answer. When the time is up, the trainer asks for a show of hands on how many people solved the entire puzzle.

Usually, **no one raises their hand**. The puzzle is too tough.

Some people have figured out one part, some people have figured out other parts, but no one person solves the entire puzzle. Then the trainer allows the entire group to work on the puzzle together. The group starts talking, exchanging ideas, sharing theories and before you know it, the puzzle is solved.

What happened? It's simple... The trainer literally multiplied and leveraged the brain power of the entire group.

There's nothing really intangible, spiritual or mystical about that exercise. (Now I am not saying that I don't believe in the metaphysics, it's just that it isn't the basis for my use of the mastermind principle.) The parts of masterminding I tend to emphasize are the pragmatic and practical approaches to business and financial success.

## What Is Masterminding?

Napoleon Hill defined "Master Mind" as the **"Coordination of knowledge and effort, in the spirit of harmony, between two or more people, for the attainment of a definite purpose"**.

**To me**, masterminding is the process of bringing together multiple perspectives, maturity, experience, and wisdom from multiple fields of endeavors. To come together, to collaborate, to focus, to combine laser-like precise attention on you, your business and improving it's performance, profitability, and impact.

Some of the greatest achievers of all time had as a commonality, the fact that they all had small or large, regular or intermittent, groups of mastermind associates, advisors, think tanks, brain trusts, kitchen cabinets, if you will.

They were always there to advise them... To direct them... To constructively critique them... To evaluate and examine before they pulled the trigger on a project... Before they made a decision that could be dangerous, costly, embarrassing, strategically imprudent... To give people the benefit of their experience ahead of them.

**Here's another way to look at it:** Think of it like Lewis and Clark. They went out and they cut a path. They learned all kinds of remarkable things at very significant costs. They paid with a very hard fought, very expensive price - not in money, but probably in human suffering. But then, they were in a position to come back and share what to do and what not to do. What to bring, what not to bring - where to go, where not to go.

That's the concept of the mastermind. But, I ask you to multiply it. Make it geometric. The more people from the more experiences and the more possibilities you introduce to the dynamic, the more extraordinary it becomes.

It's really quite simple, but people make the process terribly complex sometimes. Let's see if we can simplify it a bit and make it a bit more actionable and accessible.

### Why Would You Want To Create Masterminds?

For years and years and years, it's been a known "secret" that the greatest leverage you can give yourself in almost every business endeavor is to tap into the minds, the methods, the experiences, the maturities, and the mindsets of different successful people within and outside your business environment, your communities, your industry, and your field.

You want to deliberately and continually surround yourself with people who can lend to you the benefit of all the experiences... All the pitfalls... All the opportunities... All the years and years of experimentation... All the investment of time of human capital, of intellectual capital, of financial capital... they have already made ahead of you. And allow them to give you perspective, ideas, recommendations, and constructive suggestions and advice.

I absolutely encourage everyone in any business I ever counsel to establish as many different mastermind or mentoring groups as is humanly possible. You can do it internally, you can do it externally. You can do it live, you can do it long distance.

**Let me put it to you this way:** Why would you want to take all of the extra time, all the extra expense, all the extra heartache doing it either ineffectually or doing it totally wrong

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when there are people eager to collaboratively help guide, counsel, adjust you before you make a commitment to do it right?

It doesn't make sense to go it alone.

Let me give you some of the specific benefits of the mastermind process:

- ✓ You'll be able to model other people's success immediately.
- ✓ You'll be guided by a group of mentors which have "been there, done that".
- ✓ You will be exposed to a wide source and variety of ideas which you would not normally have been exposed to.
- ✓ You'll shorten the time it takes to take a project from conception to reality. It will cost less money and resources.
- ✓ Your problem solving will be much more simple and streamlined. There will be less trial and error.
- ✓ You have people who can empathize with your situation and offer suggestions which are very specific and appropriate.
- ✓ You can create your own personal Board of Directors.
- ✓ You'll create more accountability to your goals.
- ✓ You'll tap into resources, develop ideas, gain feedback and bring forward your brilliance.
- ✓ You'll engineer breakthrough ideas which you could have never have done on your own.
- ✓ You'll develop strong relationships.
- ✓ You'll make more money and wealth.
- ✓ You'll find solutions to your challenges, and optimally exploit new opportunities.
- ✓ You'll share your dreams, goals and desires in a safe environment.

### What Holds People Back From Developing Successful Masterminds?

Over the years, I have seen people flail and make half hearted attempts at trying to create a mastermind for themselves. I have seen people acknowledge the principle, but never put it into action. Early on, I was perplexed and confused as to the reasons why.

Let me give you my conclusions and see if they don't resonate with you:

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- **Reason #1:** The biggest challenge people face is that they don't fully appreciate or understand the mastermind dynamic and its impact on the business. They don't know how to effectively harness its power.
- **Reason #2:** They think people won't want to help them or that they are not worthy of being helped. Some people think that others wouldn't want to be involved in their plans and initiatives. It's almost as if what they are saying to themselves is that their projects, their business, their career isn't important or worthy of their consideration and time.
- **Reason #3:** They are afraid to share their problem with other people, fearing that it will make them less of a success in their own eyes or that they will somehow be looked down upon. They'll somehow feel inferior.
- **Reason #4:** They are convinced that they should solve the problem themselves. They feel it is important to go it alone and that it is *their* personal project. My guess is they enjoy the process more than the results they desire.
- **Reason #5:** They are afraid of people stealing their ideas.
- **Reason #6:** They think they have nothing to give in return for other people's ideas, advice, counsel or cooperation.
- **Reason #7:** They just don't appreciate the perspectives, ideas and wisdom of other people. They think **THEY** alone have the better idea/way.

I'll admit, these are valid reasons. But for the me, the reasons are not substantial enough for me NOT to get the fullest and maximum amount of success I and my clients desire and deserve. These reasons are kinda like saying the reason I don't want to make a lot of money is because I'd have to pay more taxes. It doesn't quite make sense although it is valid.

I have found that creating a mastermind is one of the most useful strategies, especially on larger, more elaborate, and more complex projects or problems. It's usually the strategy I reach for first-- Because I am committed to using my time, capital, resources and energy in the most effective and optimal way possible.

## A Few of My Mindset, Beliefs, Premises and Suppositions about Masterminds and the Generation of Ideas

I admit that my unique and successful use of the masterminding principle is based upon my belief system. Let me share it with you, so that you can have the full impact of my mindset:

- First and foremost, I believe that **ideas are the “currency of the realm”**. Knowledge, information, experience and wisdom are the most important assets of a business. **You need a constant and endless source of ideas to forward your**

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**business on a daily basis.** Yes, relationships, resources and execution are important too, but a great idea executed poorly, beats a bad idea executed impeccably... Any day of the week.

- Paradoxically speaking, I believe one or two great ideas can totally transform your business into a perpetual money machine. It's a quantity AND quality of ideas type of situation. Not one or the other. **You need both.**
- I believe in the power, significance and value of other people's perspective. Especially as a way of enhancing your own perception of yourself and your business.

Yes, I know this sound trite. *But please don't trivialize this concept.* I place enormous VALUE on other people's opinions and perspective. They give me insights which I don't have. They give me perspective, knowledge and wisdom it would take me years to cultivate on my own.

For instance, have you ever asked for advice and have been taken aback by the obviousness of it, yet you never thought of it? Or has someone ever "connected the dots" for you, and allowed you to see things which you never saw before? Or have you ever experienced an event and then when you compare your experience to someone else's, they got something out of it that was totally different than what you did?

I'm sure you did.

- What I find most useful is when multiple ideas are presented at the same time and we can look at all the hybrids, derivatives and tangential possibilities together. This is where the breakthrough ideas occur. Taking two or more seemingly mundane ideas or suggestions and engineering a new breakthrough strategy or concept.
- I believe it is human nature to have "tunnel vision". That in order to advance your business you must be incorporating all sorts of outside influences and perspectives into your business. You must constantly and continually take off the blinders... Think outside the box... Immerse yourself in what Thomas Edison calls "kaleidoscopic thinking". In order to do that, you must "get out of your own way", perceptually speaking.

By the way, Thomas Edison had his own mastermind. Tom, Henry Ford, Harvey Firestone (of Firestone Tire and Rubber) and Luther Burbank (the biologist) would take long extended camping trips into the woods and discuss their ideas, plans and projects with each other. It was a constant source of inspiration to each of them.

- I believe people want to contribute, want to help, want to support others who are committed to their success.

- I treasure people's perspective, counsel and advise. Regardless of the source. I want to acknowledge it, I want to amplify it, I want to commit it to paper so that I can reflect upon it.

With a mindset and attitude like this, is it any wondering why I find masterminding so useful and relevant to my work in building other people's businesses?

### Attributes of the Most Effective Masterminds

Over the course of my career, I have been a part of or have deliberately engineered over 5000 different structured masterminds for various purposes. Experientially speaking, I think the most effective masterminds have the following characteristics and attributes-- You can consider them the "best practices" of masterminding:

- **The best masterminds are composed of many difference people with their corresponding perspectives, voices and opinions. Diversity of opinion and perspective is critical to its success** because it stimulates ideas "out the box". I believe most people get carried away on having them be "like minded and harmonious". Although those attributes ARE important attributes, they should not be subjugated to the diversity of opinion.
- Let me say this again but in a different way: **Different opinions are key to a successful mastermind**, however, the facilitator is responsible for keeping harmony integral to the group. Sometimes this is no easy task, but it is worth the time, and effort. Do not minimize the concept... It's too important to your success.
- **They are laser focused on a specific opportunity, problem, project or endeavor.** The mastermind does not deviate from its charter, intention or purpose. Having a vague, non-specific goal or outcome, like "making more money" or "growing the business" is not good enough. You want to be clear, specific and detailed in what you are going after so that people can help.
- **Every meeting, every perspective and every word, is important.** Even the ideas and opinions which are discarded. Like brainstorming, there are no bad or wrong ideas. Everyone acknowledges this and participates by not condemning or criticizing any ideas generated. However, after a while and some review, it becomes obvious what the best ideas are and those are the ones which are acted upon.
- **The best masterminds have a specific domain of expertise or industry which they are focusing in.** Such as business building, marketing, real estate, management, etc.
- **They meet on periodic and consistent basis (if appropriate).** There is a level of commitment and motivation to the mastermind which compels participation. People rarely miss them because they realize that their perspective is instrumental to the group's success. And people enjoy the mental stimulation and camaraderie.

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- **The best masterminds have a facilitator.** A facilitator is not necessarily the leader. It is the person who is responsible for keeping the progress of the group going forward. The person has the permission of the group to keep it on track, and to redirect when appropriate.
- **Everybody gets something of value from participating in a mastermind.** This is where most people screw up the concept. You have to offer something either tangibly or intangibly valuable to each of the participants in return for their insight and ideas. If it is a one sided transaction, it won't work.

The trick/secret is to offer something which **exceeds** their contribution. Something which they denominate as being more valuable than their participation. Over time you'll begin to appreciate why people want to participate and you can structure the compensation accordingly.

- **The best masterminds hold people to a high standard of excellence.** They demand the best out of a person. My friend and colleague, Tony Robbins, tells a very relevant story which I want to relay. At the request of a General, he spoke for several hours to a platoon of soldiers. Afterwards, he was wrapping up with the General and in conversation, the general lamented that **unfortunately**, for most of these soldiers, they will regard their experience in the military as the single most important highlight of their life and career.

The General inquired of Tony, why this was so. Why wouldn't they, *given their extraordinary training and development*, go on in life to achieve spectacular success, which would dwarf their experience in the military? **Tony's simple, and totally profound response:**

**The soldiers would no longer have the environment to support them in their quest to be the best they can be.**

Sadly and regrettably, **they would have no one to hold them to a higher standard of success and excellence.** One of the most powerful components of a mastermind is the standard which it sets.

You may feel free to include as many of these attributes and characteristics into the forming of your masterminds. I think you'll see your results expand accordingly.

## The Different Types of Masterminds

There are many different types of masterminds which can be effective. Let me give you some ideas which may be useful:

- **One-on-One Masterminds:** Marriage is a type of mastermind. So is a partnership. I am part of many one-on-one masterminds which either I have created or I have asked me to be involved in.

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- **Group Masterminds:** I use group masterminds for problems and endeavors where I want a wide variety of input and I am looking for a multitude of perspectives. I tend to go less for intimacy and more for perspective and experiential sharing.
- **One Time Masterminds to Solve a Particular Problem:** I like to spontaneously involve as many people as I can to participate in a particular problem's resolution. Most problems don't seem as big or as daunting when you have a mastermind group helping you with a problem which needs to be resolved.
- **On-going masterminds which support a person or organization over time:** These types of relationships are very personal and strategic in nature.

### Who Should Be In Your Mastermind?

My friend Mark Victor Hansen, one of the authors of *Chicken Soup for the Soul*, tells a very insightful story which I would like to relate:

"Tony Robbins and I got to talk to 9,000 doctors at Nassau Coliseum. It's late at night. He's finished. He's been brilliant. He's 32 years old. He's just made \$131 million on his infomercial the year before. It's 12:45 at night, and we're back at the hotel, right before he's going back home to California in his Lear Jet."

"And I said, 'You know, you're making over 100 times what I'm making. I'm missing something because we're teaching the same principles. What am I missing?' Tony asked, '*Tell me who's in your mastermind dream team*'" I said, '*Well, they all make a million dollars a year.*' He said, '*There's your problem.*' I went, '*Whoa! Tell me about yours.*' He said, '*Everybody makes over \$100 million.*'"

"I said, '*I got it.*'"

"The next day, Jack Canfield and I got 4 billionaires to join our mastermind."

Here's the big point: **Who** you populate your mastermind with **makes all the difference in the world.**

Here's what I suggest you do to create your mastermind.

Start making list of the TYPES of people you want in your mastermind. It should be based upon the results you'd like to achieve. This is VERY important. (By the way, most people will ignore this advice and compromise the whole effect. I have seen it done many times.)

The selection process should not depend upon:

- Whether you already know the person.
- Whether the person generically has good ideas.

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(Most people make these mistakes, and they wonder why their mastermind is turning into just another “to do” on their action plan.)

Over the years, there are three types of people which are valuable as part of your mastermind.

- People who are in a similar environment, position, industry or career where you can all leverage the similar resources of each other to forward your careers and businesses.
- People who operate at a level which you aspire or have the expertise you desire. These are the people who can give you the insights, advice and encouragement you need to reach their position or their level of mastery.
- People who are not normally in your universe of people with whom you would normally come into contact with everyday. If you're a businessperson, maybe they are more academic, or artistic or scientific oriented.

Here's the basic strategy I use:

- When you get all these lists of people together, start contacting the heads or the appropriate titled people in each company or profession that respectively have the expertise you want.

For example, if your goal is to establish a more effective selling or marketing organization, you might want to talk to the sales & marketing manager, the vice president or highest ranking person in a given organization. If it is a big overall strategic, or mass business growth issue, you might want to contact the owner, the president, the general manager, or the operating officer.

- Once you have contacted them, introduce yourself, tell him who you are, what you do, that you're struggling, contemplating, working through issues, and that you thought it would be really wonderful to organize and put together either a mastermind, or mentoring group, or coaching group of people who are not competitive, but were very complementary and he or she is someone you would be very honored to have in your association.

Once you start contacting people, I think you'll find people are very willing to be a part of something they can contribute to, as well as receive something in return.

## Qualities of the People in Your Mastermind

When I create masterminds I look for people who have two specific qualities:

- They have a specific area of expertise, perspective or influence which I or my client needs. If I need to exploit an opportunity, I want the best minds I can find to help me. I'll do all sorts of creative things to inspire the best people to

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participate. I make the event very exclusive so that people value the relationship with the association.

- They must be willing to contribute selflessly and candidly. I point out all the tangible and intangible benefits, advantages, results they'll experience out of it. I get them to see the value and opportunity of participating fully and openly.

Let's be clear: It's not that I'm trying to trick people into something here. I truly believe in the concept with my heart and soul. But in order for the dynamic to work, someone has to see the value of the dynamic and go first to experience the process. In the beginning, it's delicate and fragile, but after a while it begins to build momentum and you can't help being inspired and excited because the value is so immediate, tangible and profound.

### Compensating People In the Mastermind

Hopefully, after they've helped you, you have a reciprocal responsibility to "turn the tables" and help them. It's a give and take, and a constant progressive and reiterative process.

Here are some ideas I use when compensating people within a mastermind which I'd like to explore with you:

- First, you must understand that people have a desire to contribute AND a desire to be compensated for their ideas. Give and take. You must acknowledge this, because it is integral to your success.
- Normally, if you can structure the mastermind as something unique, exclusive and something worth investing their time in, they'll be more than happy to participate, without tangible or financial compensation, if and as long as they can see immediate or long term value in it for themselves.
- If the mastermind is structured around your success and others don't have much to tangibly or intangibly gain, then you are going to have to make it worth their time and expense to participate in a financial sort of way. Worst case, if you have nothing to offer, offer to pay them for their time. Most people will not take it. But an offer of two, three, four or five hundred dollars for forty-five minutes or an hour of somebody's time, or a donation to their favorite charity will open up vistas of opportunity.

### How to Create a Mastermind

If you do it right, massive success, incredible achievement, rapid and renewed growth is certain. If you do it wrong, you get a setback. It can hurt you economically, spiritually, and personally.

As for some ideas in moving forward with your mastermind partners, here is what I would suggest:

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- You basically have four options: You can put together mastermind groups by category, by industry, by geography, by application or problem.
- Establish guidelines or ground rules for how you operate with each other. This is probably the most important step as it creates the atmosphere for you to operate in. I would keep them simple but clear.
- Determine a focus/agenda for your meeting prior to the meeting. You may pick the topic one meeting, your associates the next. It gives people a chance to mentally prepare.
- Start out sharing a success or breakthrough. This can be a personal or business example. This is like a celebration time and sets a wonderful tone. We are also beginning to ask each other if there is an area we need support in so everything is not always focused on the busy, happy, and good.
- Figure out a way so you are all bringing something to contribute. Decide to bring a resource to each meeting to share with the others. It can be an article, a tape, a book.
- Then, tell them that your job is going to be to share all the successful things you've done so that you're giving to the organization or to that individual, and in return, you're going to tell them all the things you're troubled with, or you're challenged by, or you're working through. Pose questions, and macro or global issues you're trying to grapple with and get an understanding or a strategy for, and you'd love them to contribute, to make suggestions, to share the accuracies, the inaccuracies, give you feedback, etc.

If they're willing to do that, you then invite them to be a part of either a one-time, a regular ongoing, or an intermittent group, depending on what is appropriate for your need in this situation. If it's one time, you might invite them and five or six or ten other people who can come together with complimentary knowledge, experience and wisdom in the field or activity you're interested in. Invite them for dinner, for lunch, or for a summit, a brainstorming briefing at some really comfortable location that you pay for.

- It might be that you set up a regular monthly lunch or meeting or dinner on an ongoing basis if you're going to deal in a more fluid and perpetual area, like business growth, management and development. It might be that you meet by telephone on group conference calls because they're very inexpensive and very easy to assemble as many as fifty to one hundred people from around the country or around the world.

It may be that you'll do it one-on-one. Maybe you'll go to them. Figure out a process that works and start practicing it. When you start actually investing of yourself openly in it, don't hold back. Be truthful. You can't get collaborative coaching. You can't get effective mentoring, world class masterminding, unless you're open, honest and true. You can't try to be pride-riddled or cocky or arrogant or win the battle for who's the most intelligent. You've got to be candid,

and honest, and straightforward, and humble, and share your hopes and dreams and fears, your basis for feeling and doing, things you're doing and how you're trying to put the next steps together.

### Key Qualities of a Facilitator (Meaning YOU!)

By now, you're probably wondering what you need to be or do, in order to be a facilitator of the highest caliber. These are the following skill sets I have cultivated in myself which have allowed me to produce significant results for myself and my Clients:

- You need to have/create an environment of respect for each and every person you are working with and for. This is key. Otherwise you'll subconsciously sabotage the process. When respect is an integral part of your personal delivery and presentation, you find the general tone of the meeting never allows the opportunity for hurt feelings, insults, or people feeling rejected by anyone. There is a general attitude of inclusion, collaboration and cooperation, where people are willing to contribute massively.
- You need to be able to create environment where it is safe for people to talk candidly about important ideas, experiences and issues. Where they can be open, honest and at best, vulnerable. In the beginning especially, masterminding is a very fragile and delicate process. The wrong dynamic will sabotage your progress and results.

You need to learn how to structure the mastermind such that people will be willing to make themselves vulnerable for short periods of time and to a small group of people. Their ideas are important to them and people won't risk having their hopes and dreams dashed, and proprietary ideas stolen. You need to be able to take away the risk completely or be able to minimize it significantly.

- You need to ooze acknowledgement. People want to know that they are making a contribution to the betterment of the group and yourself. Recognition is one of the pay-offs or forms of compensation which people are looking for. They want to be acknowledged as important, as relevant, and significant to the contribution of ideas.
- It is vital that you maintain an attitude of being "unconditionally constructive". Under no circumstances should negativity, criticism, blaming, and whining creep into the conversation. It will instantly destroy the dynamic. Now I'm not saying you should be Pollyanna either, and be all giddy and excited. That's fake and everyone knows it when they see it. I'm just saying make a mental commitment to keep the conversation on positive terms, even in the most dire of circumstances.
- You need to know how to subjugate your needs to the needs of the group. However, this does not mean you should subjugate your authority as a facilitator.

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- You need to have a sense of balance in the group. Having a small sub-group dominate the conversation is inappropriate and people will begin to feel excluded.

A couple of caveats:

- You don't need to know everything or anything about the subject in order to facilitate it. But you need to be open enough to learn.
- Certain "ground rules" should be communicated by the facilitator. For instance, no taking calls during the meeting, no cell phones, no more than one conversation occurring at the same time, etc. You should let the group decide what the ground rules should be rather than dictate them.

## How to Get the Most Out of Your Mastermind

I have several proprietary techniques which I'd like to share with you that allows my Clients and I to create breakthrough ideas. Here they are:

- Again, the most useful thing you can do is to create an environment which will allow people to be open, honest and vulnerable. It is key to getting the insights which are worth literally millions of dollars. You should deliberately and continuously create a dynamic where trust and respect are present and part of the conversation.
- If the meeting is at all important, then it should be tape recorded for posterity and review. This is not optional. **It is essential.** In the beginning, ideas are so fragile that mis-articulating them by one word will destroy the concept, effect or opportunity.

(One of your important challenges as facilitator is to make sure that people still feel safe, allowing them to speak candidly, even though the tape recorder is running. You must nurturously and diplomatically educate your mastermind about why you want to record the event and how the tapes will be used afterward.)

- Usually, I will have meetings transcribed. I find that reviewing the event on paper creates even more possibilities and ideas. It gives me more to work from and it often crystallizes my thinking regarding the action plan and structure of the opportunity. Here are a couple of related thoughts about transcriptions:
  - You might want to trivialize this as being "homework" or unnecessary. But remember, to me the ideas are what I'm after, and masterminding is the process to get the ideas. I do not mastermind for the sake of masterminding. I do not mastermind for the sake of relationship building. **I mastermind for the sake of ideas.** Getting them documented accurately with a sense of the original clarity is initially the closest thing to being actionable.

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- And occasionally, and sometimes frequently, someone will offer a suggestion which during the meeting is totally overlooked and “stepped on”. These begin to show up as pearls of wisdom which I later ethically exploit for their optimum advantage.

Remember, it is the ideas you are after.

- One of the interesting "laws" of Benjamin Franklin's Junto/mastermind was that members were "forbid the use of every word or expression in the language that imported a fixed opinion, such as certainly, undoubtedly, etc." One of the tenets of his club is "you don't know it all" and that you can see more clearly by using the eyes, ears and minds of many people.

This is exactly the mindset you need when conducting your mastermind. You and the rest of the people in the mastermind must appreciate and respect other people's perspective as being just as valid and useful as your own. It is essential.

- I am student of the late Claude Hopkins who advocated learning as much or as many facts about a product, service, or industry before writing an advertisement for it. For instance, when he was writing an ad for coffee, he would pour over dozens of dry, boring medical books researching the effects of caffeine, looking for one vital piece of information. He never knew what it would be, but he'd know it when he found it. And the ad would usually work like gangbusters.

Here's my point as it relates to masterminds. I use masterminds like books. Only with masterminds I can instantaneously hone in and explore, explode and extrapolate a specific detail, or nuance. Then I can get 5, or 50, or 500 different perspectives about it instantaneously. This is very useful when the opinions are coming from experts within an industry.

- I have a technique I call “insights upon insights”. I conversationally layer insights upon insights upon insights. The effect is really quite profound.

The way I engineer it is to go around the room and have people offer the insight they got from the previous conversation. Each person will willingly give their unique “spin” or perspective or opinion on the conversation. There is some redundancy, but you'll be amazed at the differences in people's articulation of what they got out of it.

Then I immediately go around the room and ask for the insights upon the insights. It is even more exhilarating to hear these different insights. I do this round robin style, until we've exhausted the concept and harvested as much insights as we could.

- One of my qualities is that I see things that people don't/can't see. I hear things which people don't hear or aren't articulating and I nurturously bring them to the surface. You should learn to do the same. This can only be done if there is a safe environment for people to hear the truth... With enough respect such that the idea

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has time to germinate... And enough candor such that people are willing to explore it.

This is especially difficult to do if you don't know the people or the subject matter. It takes practice, determination, observation and a sense of compassion. But it can be done very successfully.

- You have to ask really purposeful, on target, focused questions, like, "Here's my strategy, here's where I am, here's where I'm trying to go. Here's what I think I should do, and why. What's right about that? What's wrong about that? What's the best way to do that? What recommendations could you make? How could I do it better? How could I hedge myself on the downside?" And on and on. And then listen and take copious notes.
- Another key ability is the ability for the facilitator to create an environment where the participants can expose their experience in a fashion where they are not at risk. They are vulnerable and prostrate themselves for the sake of the highest good of the mastermind process. This is no small feat but it is doable with the appropriate incentives, compensation, caveats and restrictions in place.

For instance, let's say you are exploring a new opportunity and someone has valuable experience, but that valuable experience is actually a business failure. How many people do you think would share their most intimate and emotionally depressing failure with a group of people? Not many. Now that failure may actually be a real pearl of wisdom, but you have to bring it into the light of day, see the details, see where the mistake was made and the learning derived. It will make all the difference.

### **Some Examples of Masterminds Which I Personally Have Knowledge Of and May Have Created**

Let me give you some of the experiences I've had... Some of the options you've got... Some processes to use to try to achieve success... And some comments about what and why you could expect it to really pay off...

- Over the years, one of my personal profit centers that I have created for myself is centered on creating masterminds within specific client companies. My clients have paid me large sums of money to facilitate their masterminds on a very specific basis. I'm talking about fees of upwards of \$40,000/day. In those specific situations, the results were usually multi-million dollar breakthroughs which occurred in a very short period of time. (I'd share them if I could, but I am honor bound by non-disclosure agreements.)

For instance, I will be asked by a sales manager to facilitate a mastermind meeting between all the salesmen within their company. During the mastermind, I elicit what the best sales people are doing and executing in detail such that the other sales people can immediately adopt, import or emulate. The effect is almost an immediate and profound geometric increase in their sales. Because now

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you've exported the winning technique or strategy to dozens or hundreds of other sales people.

- Years ago, I had a very nasty legal problem. To solve it, I created a quick mastermind. Here's how I did it: On my client base, I had about 50 attorneys and I called each of them up and had them participate in a one hour group teleconference call. In return, I gave each of them one of my program tape sets. It was a very effective, and very humbling to have 50 attorneys who didn't know each other offering their insight and expertise on my problem. Rest assured, that one hour was very productive and profitable for me.
- I have some clients who, once a year, bring together groups of the highest powered individuals in their whole industry.. sometimes competitive, sometimes not competitive. They meet in a neutral spot, usually a hotel in some geographically equal location. The host, usually my client, puts together an agenda. The agenda is all kinds of items, ranging from production, cost containment, marketing, selling, regulatory issues, margin issues, management issues, personnel issues, competitive issues, everything under the sun that people are struggling with or have gotten more or less proficiency at, and they throw them on the table and they talk about it.

Some issues are taboo, because they are too proprietary or too competitively critical so they don't talk about those. Most of them, they do share. And when they're not competitive, they share on everything in candor and in respect.

- I have another client who makes it a habit every day on his way to and from work, to pick up the phone and call somebody massively successful in a field of endeavor, outside his own, who has perfected or developed or utilized some strategic mode of thinking or operation that my client doesn't yet have mastery in.

He calls and introduces himself, basically shares what he's good at, (because my client is very successful in his own right, but is weak or unskilled in certain areas he wants greater knowledge and proficiency at) and offers an exchange. "I'll show you mine first, if you'll be willing to give me knowledge and answers about yours (you specialty, your strategy, etc.)" It's a very powerful process. He's successful in about seventy percent of his attempts.

- I have another client who, basically, has got three different mastermind groups. He has a geographic one, where he works with non-competitive companies in his field. And he has another geographic one locally, where he's organized people specifically outside his field, where he comes together with them and they work on each company's issues. One issue a month, they do one day a month, and it's powerful. You get all these outside perspectives from totally different fields coming together.
- I have a client who owns an auto dealership and was negotiating to buy a piece of property for their business. Together we couldn't figure out how to structure the deal, so I went to my rolodex and found 20 commercial real estate people willing

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to participate in an hour long conference call. Within one hour, we had the best insights from some of the top real estate people in the country. The end result was that we were able to posture our deal in the most favorable manner and create a win-win for everybody.

- At my very expensive training programs, they've evolved more to the point where networking, masterminding and mentoring is the whole crux of why people come. The great ideas are basically spawned and dimensionalized by the composite contributions of all the like-minded people but from different industries working together who are in the room.

My take on it is very simple: If I get five-hundred people into a room with an average of twenty years worth of very successful experience and knowledge from one industry, you've got basically ten-thousand years of combined knowledge, perspective, maturity, strategic thinking, and tactical experience. You've got something like the aggregate of, I don't know, a half of a billion dollars worth of capital that's been invested, deployed, experimented with. You've got tens of thousands of tests, observations, examinations of results, various strategic thinking, all available to tap into. It's so powerful.

Obviously, I could go on and on, but I think by now you can begin to get the picture. Masterminding pervades my business life and is integrally related to my personal success as well as the success of my clients.

### Summary

In my opinion, masterminding is the greatest access vehicle you have available to you to tap into the knowledge, the minds and the absolute brilliant methods of so many superior thinkers and business people. You can't afford to be without it in today's competitive marketplace.

Finally, here are a few final exercises I urge you to do immediately:

- 1) Organize an industry specific mastermind group.
- 2) Organize a group of people who meet at least monthly from outside your industry.
- 3) Make it a point to systematically start the process of picking peoples minds who are exceeding knowledgeable in areas of activities you are not, from all over the world and from any endeavor. Because they are as close as your telephone. When you contact them, offer them something of value in exchange up front. Knowledge, expertise that you have perfected that has helped your business grow, that they may not know.

I think you'll find the time and investment well worth your while. And I think you'll be surprised at what you discover.

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I wish you the best of success and I hope this report has given you the information and inspiration to make masterminding an integral part of your life.