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## WHAT IS A MASTERMIND GROUP?

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*Never doubt that a small group of thoughtful,  
committed citizens can change the world.  
Indeed, it is the only thing that ever has.*

—Margaret Mead

### THE HISTORY OF MASTERMIND GROUPS

Masterminds have been around since the dawn of mankind. The founding fathers of the United States were a mastermind group. Jesus and his disciples were a mastermind. King Arthur and the Knights of the Round Table were a mastermind. A little league baseball team with a coach is a mastermind. You'll find them in all areas of life, from sports to medicine to literature to politics to big business.

But few people seem to agree on the definition of a mastermind. In a private e-mail to Joe Vitale, Bill Harris, president of Centerpointe (see Chapter 15 for details) and author of *Thresholds of the Brain*, wrote:

My pet peeve about mastermind groups is all of the groups that say they are mastermind groups but really aren't. A real mastermind group is a group of people with the same goal, such as a board of directors or a management team. A bunch of people in different businesses who get together to help each other are NOT a mastermind group (unless they are creating an industry group with the same goal). These groups might be helpful, and perhaps you could call them co-mentoring groups or something like that, but they aren't true mastermind groups where each person has the same outcome in mind and is on the same team.

In other words, a group of people may meet at breakfast, lunch, or dinner, but that doesn't mean the group is a mastermind. They may simply be a support group, which could be one aspect of a fully operating mastermind.

But what is an authentic mastermind group?

### ***Napoleon Hill Was Wrong***

In his classic book *The Law of Success*, Napoleon Hill defined a mastermind alliance as “two or more minds working actively together in perfect harmony toward a common definite object.”

There's much more to it than that simple quote, but that's a good start.

Hill considered a mastermind group to be one of the keys to success. But Hill didn't originate the idea. It's too bad that some people credit Hill for the idea, as they then dismiss the entire history of the world, with all of its numerous mastermind success stories.

Others believe that the mastermind alliance originated with Hill's mentor, the famous tycoon Andrew Carnegie. But mastermind groups were around long before then.

Carnegie, who rose from a poor Scottish immigrant boy to the richest man in the world, discovered the power of the mastermind as a young messenger boy for a telegraph service in Pittsburgh.

Escaping a life of drudgery in factories, he was offered a job with the O'Reilly Telegraph Company in 1849. The job put Carnegie in a position to see firsthand the behind-the-scenes dealings of merchants, manufacturers, bankers, and other businessmen.

In short order, young Andrew knew as much about the commercial affairs in Pittsburgh as anybody. Because of the messages that passed through his hands, he knew everybody's financial dealings, partnerships, and business plans. He also knew the credit ratings, orders for goods and services, and prices and terms for every major business in the city.

By the age of 17, Carnegie had his business education and had discovered the power of alliances in business. Throughout his rise to the top, he surrounded himself with people who knew more than he did.

Many claim that the first mastermind group was Chicago's "Big 6": Carnegie, William Wrigley Jr. (the founder of Wrigley Chewing Gum), John R. Thompson (owner of a chain of lunch rooms), Albert Lasker (owner of the Lord & Thomas ad agency, then the largest ad agency in the world), Mr. McCullough (owner of the Parmalee Express Company), and William (John Hertz) Hertz and Mr. William C. Ritchie (the owners of the Yellow Cab Company).

This group was formed in the 1920s. At the time, their combined annual income was estimated to be \$25 million. In today's dollars, that's about \$269 million per year! Not one of these gentlemen had an advanced education or financial advantages. All were self-made men who made their fortunes without having initial capital or extensive credit.

With the exception of the two owners of Yellow Cab, none of the six was involved in a legal partnership. They formed the group solely to get feedback for their ideas. Occasionally, they helped each other secure capital if needed on an emergency basis.

Carnegie also considered his business management team to be a mastermind group.

But this was far from Carnegie's first mastermind group.

Even as a young boy, Carnegie had a mastermind group. He organized four of his friends into the Webster Literary Society to debate the issues of the day. In the 1850s he formed a new group, called the Original Six, who became not only a mastermind group but Carnegie's companions on trips to Europe.

Later, after moving to New York, he joined salons where he further developed his education and personal and business networks.

But the idea of a mastermind alliance goes back hundreds, even thousands of years. World leaders have had groups of advisors going back to the time of Alexander the Great. You could say Socrates' Academy and Jesus' disciples were mastermind groups. When you take into consideration ancient history, it's nearly impossible to credit any one person with creating the idea of a mastermind.

Clearly, Napoleon Hill and Andrew Carnegie didn't originate the idea, though both helped promote it.

Even the founding fathers were a mastermind.

### *The Junto*

Ben Franklin, for example, liked to mix his civic life with his social one, and he merrily leveraged both to further his business life. This approach was displayed when he formed a club of young workingmen in the fall of 1727. It was commonly called the Leather Apron Club and officially dubbed the Junto. Franklin's small club was composed of enterprising tradesmen and artisans rather than the social elite, who had their own, fancier gentlemen's clubs. Everyone in it helped each other succeed.

Meeting one night a week, these young men discussed the topics of the day. They recommended books, shopkeepers, and friends to each other. They fostered self-improvement through discussions on topics related to philosophy, morals, economics, and politics. The group lasted for 40 years. They eventually became the American Philosophical Society.

Franklin described the Junto this way in his *Autobiography*:

I should have mentioned before, that, in the autumn of the preceding year [1727], I had formed most of my ingenious acquaintance into a club of mutual improvement, which we called the JUNTO; we met on Friday evenings. The rules that I drew up required that every member, in his turn, should produce one or more queries on any point of Morals, Politics, or Natural Philosophy [physics], to be discuss'd by the company; and once in three months produce and read an essay of his own writing, on any subject he pleased. Our debates were to be under the direction of a president, and to be conducted in the sincere spirit of inquiry after truth, without fondness for dispute or desire of victory; and to prevent warmth, all expressions of positive opinions, or direct contradiction, were after some time made contraband, and prohibited under small pecuniary penalties.

The results of the original Junto are still evident today. The Junto gave us our first library, volunteer fire departments, the first public hospital, police departments, paved streets, and the University of Pennsylvania. They recommended books, shopkeepers, and friends to each other. They fostered self-improvement through discussions on topics related to philosophy, morals, economics, and politics.

### ***P. T. Barnum and the Cary Salon***

In Joe's book on P. T. Barnum, titled *There's a Customer Born Every Minute*, he explains that even the great showman went to a mastermind group: "Barnum often attended the 'Cary Salon,' where he met John Greenleaf Whittier, Horace Greeley, Susan B. Anthony, and many other famous intellectuals, writers, editors, celebrities, clergymen and literary figures of his day. Alice and Phoebe Cary, American poet sisters, wrote popular poetry and attracted famous people. Barnum's choice to be part of the group's Sunday evening informal meetings helped him when it came time for networking. As a result, he had a larger circle of friends to call on when he needed help."

This, of course, was also a mastermind group, where people shared and grew from their exchanges.

Masterminds have been created for literary and political purposes as well. For example, on October 16, 1885, approximately 50 gentlemen interested in the formation of a new social club, to be located in the Back Bay district of Boston, met at the Hotel Vendome. As a result of this meeting, those present agreed to associate themselves and organize a new club. A series of organizational meetings followed, presided over by General Augustus P. Martin, at which the name Algonquin Club was chosen.

### ***The Metaphysical Group***

In 1872, an informal group of mental giants began meeting. There was Oliver Wendell Holmes Jr. (the legendary legal mind of his time), William James (the father of modern psychology), and Charles Sanders Peirce (scientist and founder of semiotics). They met for nine months and called themselves the Metaphysical Club. Their mastermind group had the purpose of exploring ideas, which they did to such historic debt that a book has been written about them, *The Metaphysical Club*, by Louis Menand.

### ***The World's Largest Mastermind Group?***

Perhaps the largest mastermind group in existence has more than 1.2 million members in the United States and more than 2 million worldwide. It's an organization that was founded by two men, Bill Wilson and Dr. Bob Watson, in Akron, Ohio, in 1935.

The organization consists of more than 105,000 groups, including 2,562 groups in correctional facilities in the United States and Canada. Can you guess which organization we're referring to?

It's Alcoholics Anonymous.

Alcoholics Anonymous a mastermind group?

Yes, absolutely.

If you're familiar with AA or similar groups, such as Narcotics Anonymous, Overeaters Anonymous, Gamblers Anonymous, or AlaNon, you've probably heard them referred to as 12-step pro-

grams. That's because there are a set of 12 guidelines all members must adhere to.

At the beginning of every AA meeting, a brief statement is read. The last line of that statement is "Alcoholics Anonymous is a fellowship of men and women who share their experience, strength and hope with each other that they may solve their common problem and help others to recover from alcoholism. . . . Our primary purpose is to stay sober and help other alcoholics to achieve sobriety."

Alcoholics Anonymous certainly sounds like a group of people working in harmony toward a common goal, doesn't it?

Members in AA usually meet in local groups that range from as few as four or five in some areas to several hundred in metropolitan areas. Each AA group gets together once or twice a week (or more) in churches, meeting rooms, or members' homes to share their stories about how they drank, how they came to discover AA, and how the program has helped them.

Until AA was formed, alcoholics had little chance of recovery. There was no effective treatment. Yet since its formation, millions of alcoholics have gotten sober and stayed sober simply by meeting regularly and following the guidelines established by group members.

The secret to their success seems to be the fact that an alcoholic who no longer drinks has an inherent ability to communicate and bond with a practicing alcoholic simply by sharing his or her story.

Although AA was founded in 1935, Bill Wilson and Dr. Watson took many of their ideas from another mastermind, known as the Oxford Group, which was formed in 1919. Many of the Oxford Group's ideas influenced Bill Wilson's 12 steps.

### **OTHER MASTERMIND GROUPS**

Modern speakers and leaders know the value of mastermind groups, too. For example:

- Tom Peters, the current management guru, in his book *In Search of Excellence*, uses the term “skunkworks” to describe essentially the idea of a mastermind. A small group of people get together to work on a project and the results are usually greater than the sum of the parts. The name skunkworks was taken from the moonshine factory in Al Capp’s comic strip, *Lil’ Abner*.
- Zig Ziglar (leading sales trainer and motivational speaker) has an appropriate saying: “You can get everything in life you want, if you’ll just help enough other people get what they want.” By working together with others, as in a mastermind, you can accomplish much more.
- NBA coach Pat Riley says, “Teamwork is the essence of life. Great teamwork is the only way to reach our ultimate moments, to create the breakthroughs that define our careers, to fulfill our lives with a sense of lasting significance.” A mastermind is, of course, a team.

Napoleon Hill believed that you could examine any outstanding success in business, finance, industry, or other profession and without fail find that behind the success is an individual who formed a mastermind group.

*Power consists in one’s capacity to link his will with the purpose of others, to lead by reason and a gift of cooperation.*

—Woodrow Wilson

### **THE WISDOM OF GROUPS**

In a mastermind group, the agenda belongs to the group, but each person’s participation is key. Your peers give you feedback, help you brainstorm new possibilities, and set up an accountability system that keeps you focused and on track. You create a community of supportive colleagues who will brainstorm with you to move the group to new heights.



You gain tremendous insights, which can help improve your business and personal life. In a real way, your mastermind group is like having an objective board of directors.

Mastermind groups share the basic philosophy that more can be accomplished in less time by working together. Individuals meet in an open, supportive environment on a regular basis to share thoughts, ideas, opinions, and information.

James Surowiecki, in his book *The Wisdom of Crowds*, points out that a group has a larger intelligence than an individual: “If you can assemble a diverse group of people who possess varying degrees of knowledge and insight, you’re better off entrusting it with major decisions rather than leaving them in the hands of one or two people, no matter how smart those people are.”

As individuals, we have the ability to see things from our own perspective, our own worldview. By adding others to the mix, the group has a greater ability to share a combined intellect to see things from a new and different perspective, what some call “the third mind.”

It is this collective third mind that processes information down to its essence, and it is there that thoughts crystallize into ideas. It is also where the “Aha!” moment occurs. As individuals, we cannot achieve this on our own because our myopic view can cloud our perspective. As a group with a more objective view of the world, the possibilities for expansive thinking are endless.

Obviously, there is real power in forming and being in a mastermind. Let’s explore what it is a little deeper.

### **A REPORTER INVESTIGATES MASTERMINDS**

Several people on the Internet, and some local friends, know that the authors of this book are in a mastermind group. They are naturally curious. What is a mastermind? What do you do there? Why do you do it?

Recently, a local reporter came by to celebrate Joe’s birthday. She asked about masterminds. Here’s part of their conversation.

“A mastermind is a group of people, usually about six in number, and usually in noncompeting businesses. They meet to help each other achieve their goals.”

“Who invented it?”

“Andrew Carnegie, the famous tycoon, told Napoleon Hill about them, and Hill spread the word with a brief mention in his famous book, *Think and Grow Rich*. But masterminds go all the way back to ancient Greece. You could say Socrates had a mastermind. Or Jesus.”

“What goes on in one? Is it business or spiritual or what?”

“It’s a combination,” Joe explained. “On one level it’s an obvious support group. Each person brings their own skill set, background, business experience to the table, and everyone learns from another’s perspective.”

“But from a Carl Jung perspective, you also create and tap into a larger mind, a type of third mind that is formed by a meeting of supportive people.”

“But what goes on?”

“The mastermind is run by whoever is the designated driver, so to speak. Basically, each person gets a chance to state their goals, their needs, and so forth. They can be designed to operate in various ways.”

“How often do they meet?”

“Our group meets every Thursday, in person, at a restaurant. But I’ve been in two that were done entirely over the phone. And these days you could do them over the Internet with a webcam.”

“Can you help me set up a mastermind?”

“That’s why we’re writing this book.”

### **A MASTERMIND GROUP CAN HELP YOU REACH ANY GOAL**

Mastermind groups aren’t just for business. You can form a mastermind group for any goal you wish to accomplish.

Are you trying to raise money for a particular cause? Form a mastermind group.

Want to exercise more and eat right? Form a mastermind group and you'll accomplish far more than you would on your own and have a built-in support group. Joe joined a mastermind for weight loss and lost 80 pounds. He went from being the Buddha of the Internet to the Charles Atlas of the Internet.

You could even form a mastermind group to plan your next vacation. The group could help you find a good travel agent, decide on a destination, and negotiate for better travel deals using their collective purchasing power. With five to six couples, you could enjoy the benefits of a group tour without having to travel with a group of strangers.

What about remodeling your home? You could form a mastermind group in your neighborhood with four or five other couples seeking to do the same. You could share resources, tools, and materials.

Think about it. One person may be good at painting, while another has plumbing skills. One or two members might be good at planning and organization, while others are tasteful decorators. And others might be good with carpentry. You could work together on each other's projects, have fun in the process, and save a ton of money. Or, if you're not the do-it-yourself type, you can form a group to find and hire the best contractors using the group's collective buying power to negotiate better deals.

We're just skimming the surface here, but do you see the possibilities to be found in forming a mastermind group?

In the space below, write some ideas you've gained from this chapter and what types of masterminds you might want to begin:

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