

# **MEASURING THE IMPACT OF SOCIAL NETWORKS ON ENTREPRENEURIAL SUCCESS: THE MASTER MIND PRINCIPLE**

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## **ABSTRACT**

While anecdotal and conceptual evidence indicates the value of social networking practices, details regarding the structure and efficacy of social capital theory, especially in microbusinesses, remain relatively unexplored. Examining relevant issues based in part on “Master Mind” methods, this investigation examines the prevalence of social capital networks, explores specific meeting formats’ effectiveness, and illuminates the benefits of participation among microbusiness owners. While 79.5% of microbusiness survey respondents belong to at least one business or industry association, a surprising 52.6% indicated no Master Mind participation. Implications with regard to perceived benefits, as well as contributions to theory and practice, are discussed.

## **INTRODUCTION**

Over the years, researchers have suggested that there is a strong link between entrepreneurial success and social networks. Some have pegged this to “the organizational advantage” and the creation of new intellectual capital that arises from robust social relationships within organizations (Nahapiet & Ghoshal, 1998; Podolny & Baron, 1997). Others highlight the impact of the transfer of tacit knowledge among employees and the implicit gains that accrue to the organization as a whole (Kogut & Zander, 1996, 1993; Spender 1996). Additional benefits arise from social networks in the willingness and motivations of individuals to share knowledge (Reagans and McEvily, 2003), an aspect of particular importance to nascent entrepreneurial efforts.

Studies to date have primarily reflected results from organizations of traditional size and structure; research regarding the impact of social networks on smaller or more fluid business structures such as those of microbusinesses, lifestyle entrepreneurs, or the self-employed is less prevalent. While anecdotal evidence suggests that the findings related to organizational value obtained from social networks may translate to much smaller firms, structured studies of social networks and the self-employed are lacking.

This project is a response to the need for a closer examination of the impact of social networks on microbusinesses and the self-employed. In conducting our study, we considered a networking model used by some small business owners that is based on one employed by Andrew Carnegie in the early twentieth century, the Master Mind. This networking principle carries both practical as well as inspirational value for nascent entrepreneurs and its historical background brings an added dimension to our work.

In 1908, Andrew Carnegie called an enterprising young reporter into his study to share with him his secrets of entrepreneurial success, with the understanding that they be presented to the American people. *The Master-Key to Riches* (Hill, 1965) outlined specific business and social practices that Carnegie used to amass his wealth and business power. Chief among these was the concept of the Master Mind, which Carnegie defined as “an alliance of two or more minds blended in a spirit of perfect harmony and cooperating for the attainment of a definite purpose.” Carnegie used this concept of advisory alliances, calling on his close social and business ties to assist him in building his entrepreneurial empire.

Since Carnegie’s Master Mind approach exemplifies the central proposition of social capital theory -- that networks of relationships constitute a valuable resource to build competitive advantage as a result of the knowledge network -- it is not surprising that his model has found acceptance among other entrepreneurial organizational structures, including the self-employed. Informal surveys with modern-day microbusiness owners reveal that hundreds, if not thousands, have adopted Carnegie’s networking techniques to launch and build their own ventures. One common Master Mind format is an hour-long meeting with 3-6 entrepreneurs, often face-to-face or via a conference-call system to link individuals separated by geography. During the session, each participant offers and receives focused guidance on current business challenges, with the group serving as both mutual advisory board and entrepreneurial support team.

In spite of the awareness of the value gained by peer interaction, details regarding the structure and efficacy of social capital theory in microbusinesses, and specifically Master Mind methods, remain relatively unexplored. Seeking to bring together larger conceptual issues about social capital benefits with specific strategic implications of networking meeting structure, we focused this study on the role of social networks and the perceived value of Master Mind groups to microbusiness owners and the self-employed.

The investigation was guided by three primary questions: First, what is the prevalence of social capital networks among microbusiness owners, as evidenced by Master Mind groups? Second, what are the specific meeting formats that seem to be most effective? Third, what are the short- and long-term benefits of participating in such a networking group? The responses we obtained to these questions from our research paint a rich and surprising portrait of the value and mechanisms of social networks among microbusiness owners. Both the quantitative and qualitative aspects of this research inform management practices for small and entrepreneurial business owners as well as provide guidance for future research.

## **METHODOLOGY**

In order to address these questions, we sought a broad base of input from individuals who are current and past participants in business networks. However, capturing data from microbusiness owners and the self-employed is notoriously difficult, since they are by nature independent in their mindset and operational structure. To achieve both quantitative and qualitative input for this project, we turned to two data sources: a Web-

based survey on social and business networks as well as a series of one-on-one structured interviews with 12 microbusiness owners.

The Web-based survey was completed by 625 individuals, of which 536 self-identified as microbusiness owners in Spring 2004. Respondents were obtained from an announcement in a double-opt-in small business email newsletter sent to 4,652 subscribers in February 2004; two additional reminder announcements appeared over the course of the following ten weeks. From the email announcement, participants clicked on a hotlink that directed them to a Web-based survey where their answers were collected anonymously. Skip logic capabilities enabled the collection of data from individuals who are active participants in social and business networks as well as those who have participated in such groups in the past.

We obtained qualitative findings, including details on networking meeting formats, from one-on-one interviews conducted with 12 microbusiness owners who have been involved in a Master Mind group for more than one year. An announcement in a small business email newsletter solicited participation in both the Web-based survey and individual research interviews; of 32 respondents to the interview request, 14 were contacted and 12 agreed to participate in the structured interviews. Each interview followed the same format: a structured section that mimicked the primary questions of the online survey, followed by more open-ended questions to elicit qualitative detail on areas such as short- and long-term benefits and meeting formats.

In both the online survey and personal interviews, data was gathered on a series of topics related to participation in and perceived value of business networking activities and Master Mind groups. To gauge the size of the microbusiness, participants were asked about their organizational structure, including how many part-time and/or full-time employees participated in their business, as well as their use of independent contractors. In addition to general demographic information, we also collected data to assist us in better understanding in which part of the business growth cycle participants might be engaged, such as the founding date of the business and range of gross annual revenue. To assess participation levels in business networks, individuals were asked to estimate the number of business or industry associations to which they currently belonged, as well as the number of networking events (e.g., meetings, conferences, breakfasts) attended each month.

Determining participation in specific networking structures akin to Master Mind groups was a more challenging task. After a brief description of the structure, purpose, and operations of a Master Mind group, the online survey asked participants if they currently take part in such a group, or have done so in the past. Based on the response to this question, the survey continued by asking individuals currently active in a network how long they have been involved in the group and the frequency and duration of meetings.

If a survey respondent stated no networking group affiliation, s/he was subsequently asked about reasons s/he had never participated in such a group. The survey collected data on the top three reasons someone has never been involved in a Master Mind group,

including options such as not knowing they existed, being too busy, not being asked, or fear that others would steal one's ideas.

The heart of the survey and interview process was a matrix of 11 items with ratings that asked participants to rank (scaled 1-5, with 5 being high) the value of benefits they received from participating in a Master Mind group. The skip logic capabilities of the online survey enabled us to ask this question to three distinct sub-groups. First, those actively engaged in a network (MM-C) were asked to evaluate the current value they receive from participating. Second, individuals who have never participated in a Master Mind group (MM-N) were asked to address the expected value that belonging to such a network might bring them. The third sub-group included individuals who formerly were members of a Master Mind group (MM-F) were asked to reflect upon the value they received from their group. The data from this matrix obtained from the responses by these three sub-groups is discussed below and is featured in Tables 1-3.

This matrix was also employed in the structured interviews with individuals who have been active in a Master Mind group for longer than one year (MM-LT); each was asked to rank the value of benefits they currently receive from participation. The responses from these four clusters of microbusiness owners crystallized the distinctions between actual and anticipated benefits, and enabled us to reconstruct the level of attractive value held by each sub-category. Furthermore, if a survey respondent indicated that s/he no longer belonged to a Master Mind group, s/he was asked to cite the reason why s/he left or the group broke up; this provided us a theoretical equilibrium factor at which the value derived from participating in the group is counterbalanced by the negative reasons that caused the departure or failure of the group.

Online survey respondents who are currently active as well as those who no longer belong to a Master Mind group were also asked to share (in an open-ended format item limited to 15 words or less) what they found to be the greatest drawback of being involved in the group. Their responses provide a consideration of the negative factors surrounding participation in a Master Mind group that often may be overlooked when only focusing on the benefits of networking.

While existing research overwhelmingly indicates that the focus of small business activity lies within the service sector, we included a survey question that refined the distinction among four quadrants: businesses who offer either a product or a service along with their target market of either the general public or other businesses.

## **RESULTS**

Of 625 total online survey respondents, 85.8% (536) self-identified as being currently self-employed or owning their own business. The male/female split was very close to 40/60 (39.4% male; 60.6% female). The racial mix was: White, 76.9%; African American or Black, 6.2%; Asian, 3%; Hispanic/Latino, 2.3%; American Indian or Alaskan Native American, 0.4%; and 11.2% N/A. The age of the majority of respondents was nearly evenly split between the decades of the 30s, 40s, and 50s: 21% were 30-39 years old; 32% were 40-49 years old; 30.7% were 50-59 years old. Since geographic

boundaries evaporate in an online survey, we constructed a question that asked whether participants lived in the USA or elsewhere; 86.6% of our respondents reported residency in the United States.

### **Business Size, History, and Focus**

Reflecting their independent nature, a strong majority (79.4%) of our microbusiness survey respondents indicated that they work solo and hire independent contractors when needed, eschewing the traditional structure of larger firms with part-time or full-time employees. A followup question revealed that a full third (34%) do not work with independent contractors at all, while a bit more than half (51.1%) choose to work with independent contractors on a project-to-project basis.

Responses from participants in the personal interviews matched the general results of the online survey. A strong majority (80.2%) of those interviewed operate as solo businesses, choosing to work with independent contractors on an as-needed basis.

Most of the businesses operated by the respondents to the online survey are still in the relatively early stages of their growth cycle; the average company age was 8 years, although businesses ranged from nascent to 50 years. In contrast, the age of businesses of our interviewed cohort ranged from 6 years to 35 years, with an average of 18.6 years in business.

Reflecting the inherent revenue limitations of microbusinesses and their frequent foundation as lifestyle entrepreneurial efforts, more than half (55.6%) of online survey participants reported gross annual revenues below \$75,000/year, and 74.8% were pegged at \$150,000/year or less. The range of gross annual revenue for microentrepreneurs in our personal interview group, however, was skewed to the higher end of the scale, with 41.7% reporting revenues greater than \$150,000/year and 16.6% falling in the \$500,000 to \$1 million/year revenue bracket. These greater revenue figures are possibly attributable to the longevity and stability of the businesses, as well as the experience of their owners.

In line with research showing a preponderance of service-based companies in the microbusiness sector, a strong majority (85%) of online respondents indicated that they run a service business. Of these, 58.8% are primarily serving other businesses, while 26.2% serve the general public. Similarly, 75% of the personal interview respondents are involved in service-based companies that serve other businesses.

### **Participation in Networking Events and Master Mind Groups**

While eight out of ten microbusiness owner survey respondents belong to at least one business or industry association, a surprising 20.5% indicated no association affiliation at all. Most respondents belonged to between 1 and 6 associations, with the percentages closely split between 1, 2, and 3 associations and then falling (20.5% belong to 1 association; 19.2% to 2; 18.2% to 3; 10.7% to 4; 5.6% to 5; and 2.9% to 6).

To gauge how actively microbusiness owners participate in networking functions, we solicited input regarding the average number of networking events they attended each

month. Fully two thirds average between 1 and 3 events each month (39.6% attend 1 event/month; 19.7% attend 2/month; 6.8% attend 3/month), while an additional 12.5% attend 4 or 5 events/month.

Perhaps the most surprising statistic of the study was that more than half (52.6%) of survey respondents reported that they have never taken part in a Master Mind or similar type of network. Nearly 3 in 10 (27.5%) currently take part, while the balance (19.9%) do not currently take part but have done so in the past. Related to this finding, of those who currently take part in a Master Mind or similar network, only 16.5% call it that by name; by far the majority (83.5%) report that they call it something different. (Among the names cited from more than a hundred survey respondents are titles involving phrases such as “Entrepreneurial Alliance,” “Roundtable,” “Business Network,” etc.) Clearly, while the Master Mind concept has been around in both principle and name since Carnegie’s era, it has not reached or effectively penetrated the ranks of a large number of microbusiness owners, at least by name. By contrast, in the cases where awareness and participation in the Master Mind concept has taken place, it has proven to be quite beneficial.

Current active members of Master Mind groups generally participate in only one group (69.5%), although 18.3% participate in two. In contrast to the personal interviews, which focused on individuals who have been a member of a Master Mind group for longer than a year, 41.5% of online respondents have been members less than a year. The balance of the online survey respondents split fairly evenly between the other categories: 18.5% have been involved between 1 and 2 years; 23.8% indicated involvement between 2 and 4 years; 16.2% have been involved for more than 4 years. The contrast in longevity of membership with the microbusiness owners in the personal interview group is worth noting: two thirds (66.6%) have been members of their Master Mind groups for at least 4 years, and a quarter have been involved for 14 years or longer.

### **Master Mind Meeting Format and Frequency**

In spite of technology and communication advances, nearly two thirds (60.8%) of survey respondents conduct their Master Mind meetings in person, while 27.7% report that they conduct a mix of telephone and in-person meetings. Only 11.5% rely solely on the telephone to conduct meetings. Nearly all (91.6%) of the interviewed survey participants indicated that at least part of their Master Mind interactions take place in person. This speaks to the consideration of the value of “high touch” in relation to “high tech.”

To gauge the style of interaction among business owners during these meetings, we asked respondents to indicate how many individuals belong to their Master Mind group. Traditionally, Master Mind groups generally involve 2 to 7 individuals, a number that allows for closer interaction and deeper bonding among members, as well as adequate time to address each participant’s needs during the allotted meeting time. Nearly half (48.2%) of the online survey participants who actively participate in a Master Mind group fall within the category of having 2 to 7 members; the most common number was 4 members, reported by 13.2%. However, a startling 42.6% of online survey respondents reported that their group consisted of 10 or more members, a statistic that leads us to

believe that their concept of a Master Mind network differs from the traditional format. The average number of participants in the Master Mind groups of the interviewed business owners was 5 members, a figure closer to the norm.

Meetings are held most commonly on a monthly basis (by 43.4% of respondents); 24% meet on a weekly schedule; 10.9% meet twice a month; and 10.1% meet every other month. Most Master Mind groups gather for between 1 and 2 hours; 28.1% meet for 60 minutes; 25.8% meet for 90 minutes; 29.7% meet for 2 hours. Nearly one in ten groups (7.8%) devote a half a day to their Master Mind meetings, an extended format that allows for greater interchange. Monthly meetings are also the preferred schedule for more than half (58.3%) of microbusiness owners who were interviewed for our survey, although some individuals reported that they meet as frequently as once a week or as seldom as three times a year. Monthly meetings range from 1 to 4 hours; groups that meet less frequently schedule full weekend retreats to allow for fuller discussions and longer strategy sessions.

Our interview participants confirmed that the format of sharing accomplishments, soliciting feedback from peers, and establishing goals to achieve by the next gathering is one that is used as the basis for their meetings, although many have refined it to serve the specific needs of their respective groups. For example, some groups select a theme or topic for the meeting and ask members to bring questions, tips, or other material that will bring value to the discussion. Other groups allow for more free-form discussions to evolve. At the core of each meeting however, is the chance for each individual entrepreneur to acknowledge his or her recent achievements (which helps provide perspective and solidifies self-esteem) as well as the opportunity to receive focused attention and valuable feedback from peers. This culminates in the setting of a specific goal, completing the cycle of progress and providing a mechanism for sustaining momentum in the participant's own business.

Once a meeting is over, more than half (52.3%) of survey participants find no need to circulate a written recap of what has taken place to members, although a third (34.4%) choose to do so via email. A quarter of those from our personal interviews stated that they circulated notes or summaries of meetings, and that they did so by email.

### **Benefits of Master Mind Participation**

The value of participating in a Master Mind or other social network varies for each microbusiness owner, and is dependent in part upon an individual's level of participation and commitment as well as the desired outcomes from belonging to such a group.

Our project was structured so that a comparison could be made between the perceived benefits of Master Mind participation among four sub-groups of our project participants: individuals currently active in a Master Mind group (coded MM-C and represented in Table 1); those who have never participated in any such network group (MM-N, Table 2); individuals who formerly were members of a Master Mind group (MM-F, Table 3); and our personal interviewees with long-term Master Mind experience (coded MM-LT,

Table 4). While the tables allow for fuller study of responses and will be part of our discussion below, there are a few summary findings of interest.

Of the current Master Mind participants (MM-C, Table 1), more than half ranked 4 of the 11 benefits at level 5 (extremely valuable), and at least 58% of the respondents from this group ranked 6 of the 11 benefits in the two highest categories of 4 or 5. Clearly this group has very positive attitudes about the benefits of Master Mind membership.

The perspective of those who have never belonged to a Master Mind group (MM-N, Table 2) was nearly as rosy, with more than half of respondents ranking 9 of the 11 benefits in the two highest categories of 4 or 5. We speculate that non-members are attracted to the potential benefits of an idealized network in which all their business problems would be solved -- or at least one in which they would find peer support and advice.

In an unsurprising finding, the data collected from former Master Mind participants (MM-F, Table 3) reflected a more subdued evaluation of the benefits. Although not specifically reported, these responses were perhaps colored by a negative experience encountered in a former network. The responses from this group showed much less variance among the five rating levels, and of the three sub-groups they had the greatest number of responses in the category of 1 (not valuable at all).

Our 12 structured personal interviews with long-term members of a Master Mind group (MM-LT, Table 4) provided a comparison on the ratings of Master Mind benefits as well as the basis for our understanding of short- and long-term benefits of Master Mind participation. These microentrepreneurs, with deep experience in both business matters as well as extended experience in Master Mind groups, recognize the value of peer feedback, gaining fresh perspective on new business ideas, and emotional support; all three of these elements were ranked 5 (extremely valuable) by 83% of these respondents. Similarly, they recognize the value that springs from partnerships and connections, which ranked nearly as high in their ratings. Details on their observations and comments follow in our discussion below.

### **Drawbacks and Dissolution of Master Mind Groups**

Not all Master Mind group experiences are positive ones, and sometimes groups dissolve. Our online survey participants who no longer belong to Master Mind groups were asked to indicate the top three reasons why they are not currently involved in one. Among the leading reasons offered were the sense that there was limited value in continuing, followed by the difficulty of scheduling meetings, being too busy, and that the chemistry of the group no longer worked.

We also asked both current and former Master Mind participants to share in 15 words or less what they found to be the greatest drawback of being involved in a Master Mind group. Their answers ranged from timing and scheduling issues to practical constraints of geography and travel. Also frequently mentioned were the frustrations of the lack of mutual commitment among all members as well as issues of personal chemistry; some

individuals felt they were on a “different business track” and wanted to develop at a faster pace than fellow group members.

Comments obtained from the personal interviews echoed these themes, particularly issues surrounding timing and scheduling. Having participated in a Master Mind group for a longer time, however, these individuals acknowledged that the effort and investment of time was worth the payback in the value they received from participating.

## **DISCUSSION**

The results of our online survey and personal interviews provide an inside look at the elusive demographic of the self-employed, and illustrate the important role of personal connections in microbusiness growth and development. The investigation was guided by three primary questions, and our focus now turns to addressing these issues as well as related topics that arose during our research.

### **Prevalence of Social Capital Networks**

Our first question concerned the prevalence of social capital networks among microbusiness owners, as evidenced by Master Mind groups. While the microbusiness owners in our study are aware of and participate in business and industry associations, we were surprised to find that more than half have never taken part in a Master Mind group or similar alliance. This may be related to the relative youth of the respondents’ businesses or the fact that these microbusiness owners take their independence to heart and don’t establish peer connections.

Whatever the underlying reasons, we find this data very interesting, since it indicates a lack of awareness of the positive impact of intellectual and social capital networks that has been strongly established by existing research (Borgatti & Cross, 2003; Nahapiet & Ghoshal, 1998). It also raises additional questions about the link between business growth limits and lack of social outreach. Are microbusiness owners creating inherent constraints on their firms by ignorance or refusal to establish peer connections? Is the notion of a struggling “lone ranger” an accurate description, and if so, what methods might be effective in educating independent business owners about the value of Master Mind groups? Or perhaps, is there a size effect with regard to the perceived value of participating in networks?

These are valuable questions to raise, particularly since the benefits of Master Mind groups seem so firmly established in microbusinesses that have participated in a group for an extended period of time. The individuals who took part in the personal interviews, when asked what advice they would offer to another business owner about starting or joining a Master Mind group, overwhelmingly shared enthusiastic encouragement. “Do it yesterday!” observed two business owners. “It’s absolutely essential if you want to get ahead,” explained another. Others spoke of the power of the “collective mentality” that comes from the group interaction. While they acknowledged the need to “choose wisely” and that there must be a “commitment to transparency” so that feedback is both given and accepted with openness and honesty, long-time members of Master Mind groups

understand the value that accrues to microbusiness owners from participating in such a network.

### **Effective Meeting Formats**

The majority of both online survey respondents and personal interview candidates indicated that they hold their Master Mind meetings in person, generally on a monthly basis. Some are integrating telephone sessions into their mix -- either in addition to in-person gatherings or replacing them. We would anticipate that as technology develops, more groups will adopt telephone and/or video conferencing capabilities, since it eliminates geographic constraints and individuals can form groups with compatible individuals no matter where they live.

Some groups rotate the location of the meetings, traveling to each other's homes where light refreshments may be served. Others schedule quarterly or semi-annual retreats that may last from half a day to a full weekend. Almost all of the individuals in the personal interviews shared how the structure of their group has changed over time, responding to shifting needs and an attempt to "infuse the group with fresh energy on a regular basis." It is also revealing that nearly all of the individuals in the interview cohort stated that they participate in Master Mind networks that meet in person, and that they see the telephone as a complementary, not primary, meeting tool.

Experienced Master Mind participants recognize that one of the most difficult tasks is finding the right mix of participants. Chief among the required traits is a sense of mutual commitment to participate on a regular basis. Several spoke about selecting individuals who are at the same level or further along their business growth path (both in financial terms as well as experience), ensuring that each member would be challenged instead of one serving as the "default mentor" to the group. Perhaps the most important quality is one that serves every business owner in their planning capacity: having clarity about why you want to join a group and what you want to gain from membership.

### **Short- and Long-Term Benefits from Master Mind Participation**

One word consistently appeared in nearly every personal interview with experienced Master Mind participants: accountability. Members understand that holding each other accountable for actions and deadlines provides an impetus that is often difficult to achieve in a microbusiness setting, especially for the self-employed. Having access to "immediate response from peer professionals" based on mutual trust is an extremely valuable element of Master Mind participation.

Rankings from the online survey participants currently active in a Master Mind group reflect similar findings, with "peer feedback on business problems" and "fresh perspective on new ideas" gaining a rating of 5 (extremely valuable) from more than 50% of respondents (MM-C, Table 1). Similarly, business owners who have never been involved in such a group appreciate the value such input could offer; their ratings for these two items are among the highest cited (MM-N, Table 2).

Another key benefit of Master Mind participation is the emotional support such a network can offer; in fact, this factor received the highest number (61%) of level 5 ratings among all 11 benefits in the currently active group (MM-C, Table 1). Even former Master Mind participants conceded that factors such as peer feedback, fresh perspectives, and emotional support are among the most valuable benefits of membership (MM-F, Table 3).

Perhaps the greatest long-term benefit comes to those fortunate individuals who have been able to sustain their Master Mind group for nearly a decade or more, as have several of those in our personal interview cluster. They spoke of the value of “others knowing you well enough to hold your feet to the fire” who are also able to “guide you when you’re sabotaging yourself.” Another commented on the priceless benefit of having “trusted relationships with people who know me and my motivations toward achieving my long-term goals.”

## **CONCLUSION**

This research project builds on the foundation of knowledge-based theories that illustrate how social and intellectual capital help to create competitive advantage. While it contributes to a deeper understanding of the impact and value of social networks in entrepreneurial opportunity recognition and success, we concede that it has limitations. Our data is based on a Web-based survey which offered flexibility in administration and in reaching the elusive self-employed sector, but it comes with some self-selection bias. A wider sample of personal interviews also would have added a fuller dimension to the research if time permitted.

The project reveals that while peer relationships can happen spontaneously or by serendipity through connections at industry events or association meetings, it often takes a more focused effort to establish a Master Mind network. In light of this challenge -- as well as the overwhelming benefits expressed by network participants -- it appears that future research and educational efforts may be appropriate. Specifically, we recognize the need for: a) a better understanding of the value of small group networking among microbusiness owners and b) a vehicle to disseminate the process of how to create structures such as Master Mind groups.

All of these groups that represent social networking, regardless of what they are called, appear to play a role in helping microentrepreneurs achieve business success. While the term Master Mind may not be the label of choice, clearly the principles articulated by Andrew Carnegie are adhered to in today’s version of such an information exchange network.

Interestingly, while some confusion about group size appears to evidence itself amongst the respondents, groups of 3-6 persons, up to a maximum of 12, create a preferred environment for strong social network development. When coupled with a structured meeting format, this environment creates effective peer interaction and fosters mutual accountability among microentrepreneurs.

For the practitioner, the advice is simple: social capital plays a central role in the core strength of your business. While not explicitly measured here, it is implied from the personal interviews that when it comes to forming and participating in social and intellectual capital networks, sooner is better. More than 80% of the interviewees claimed that involvement in a Master Mind group strongly contributed to their business success. By adopting these intellectual and social capital networking practices, microbusinesses can retain the advantage of their small scale and place their firms on a path toward achieving the stability and growth potential of their larger counterparts.

For researchers, the path is clear as well. While the research presented here extends our basic understanding of both the prevalence and value of microbusiness participation in Master Mind groups, more research is warranted. In particular, greater attention should focus on the factors that instigate Master Mind involvement for some, and what missing elements create a gap for others. Because microentrepreneurs are frequently isolated, key questions emerge. To what extent are isolation and the development of intellectual and social capital networks related to microbusiness failure or success? Stagnation, growth rate, the extent and depth of social networks, the impact of both strong and weak ties, and the resulting pace and level of development for microbusinesses are all topics that await future research.

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<b>Benefits of Participating in a Master Mind Group</b>	<b>1 Not valuable at all</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5 Extremely valuable</b>	<b>N/A</b>
Peer feedback on business problems	2% (2)	5% (6)	7% (9)	31% (39)	54% (67)	2% (2)
Getting advice on making my business more profitable	1% (1)	10% (12)	27% (34)	22% (28)	36% (45)	4% (5)
Marketing contacts	5% (6)	15% (19)	27% (34)	26% (33)	20% (25)	6% (8)
Sales referrals	9% (11)	22% (28)	22% (28)	18% (23)	18% (23)	10% (12)
Access to financial resources	21% (26)	28% (35)	18% (23)	14% (17)	5% (6)	14% (18)
Fresh perspective on new business ideas	2% (2)	4% (5)	12% (15)	27% (34)	53% (66)	2% (3)
Emotional support	2% (2)	5% (6)	9% (11)	20% (25)	61% (76)	4% (5)
Information about new business opportunities	4% (5)	10% (12)	26% (33)	35% (44)	15% (19)	10% (12)
Connections to a wider professional network	5% (6)	5% (6)	17% (21)	32% (40)	34% (43)	7% (9)
Partnership opportunities	7% (9)	18% (22)	24% (30)	24% (30)	18% (23)	9% (11)
Chance to connect socially with other entrepreneurs	5% (6)	5% (6)	7% (9)	27% (34)	51% (64)	5% (6)
<b>Total Respondents: 125</b>						

**Table 1:** This table represents responses regarding benefits of participating in a Master Mind group from online survey participants who are currently active in this type of networking group (MM-C).

<b>Benefits of Participating in a Master Mind Group</b>	<b>1 Not valuable at all</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5 Extremely valuable</b>	<b>N/A</b>
Peer feedback on business problems	1% (2)	5% (13)	17% (40)	34% (81)	39% (93)	4% (10)
Getting advice on making my business more profitable	1% (2)	4% (10)	18% (43)	34% (81)	39% (93)	4% (10)
Marketing contacts	4% (9)	8% (19)	19% (45)	27% (64)	39% (93)	4% (9)
Sales referrals	6% (14)	12% (28)	18% (44)	24% (57)	33% (79)	7% (17)
Access to financial resources	15% (37)	21% (49)	26% (62)	18% (44)	11% (27)	8% (20)
Fresh perspective on new business ideas	0% (1)	3% (8)	15% (37)	35% (84)	42% (100)	4% (9)
Emotional support	9% (22)	13% (31)	13% (31)	30% (71)	30% (72)	5% (12)
Information about new business opportunities	3% (8)	9% (22)	26% (62)	34% (81)	23% (54)	5% (12)
Connections to a wider professional network	4% (10)	7% (16)	13% (30)	33% (80)	40% (95)	3% (8)
Partnership opportunities	17% (41)	20% (47)	25% (59)	21% (49)	7% (17)	11% (26)
Chance to connect socially with other entrepreneurs	9% (21)	13% (31)	21% (49)	26% (62)	28% (66)	4% (10)
<b>Total Respondents: 239</b>						

**Table 2:** This table represents responses regarding anticipated benefits of participating in a Master Mind group from online survey participants who have never participated in such a group previously (MM-N).

<b>Benefits of Participating in a Master Mind Group</b>	<b>1 Not valuable at all</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5 Extremely valuable</b>	<b>N/A</b>
Peer feedback on business problems	7% (6)	11% (10)	23% (20)	31% (27)	26% (23)	2% (2)
Getting advice on making my business more profitable	10% (9)	15% (13)	25% (22)	30% (26)	17% (15)	3% (3)
Marketing contacts	11% (10)	17% (15)	27% (24)	20% (18)	19% (17)	5% (4)
Sales referrals	17% (15)	27% (24)	17% (15)	16% (14)	16% (14)	7% (6)
Access to financial resources	30% (26)	28% (25)	18% (16)	8% (7)	5% (4)	11% (10)
Fresh perspective on new business ideas	3% (3)	13% (11)	19% (17)	35% (31)	27% (24)	2% (2)
Emotional support	5% (4)	14% (12)	17% (15)	36% (32)	24% (21)	5% (4)
Information about new business opportunities	10% (11)	20% (18)	27% (24)	25% (22)	14% (12)	2% (12)
Connections to a wider professional network	10% (9)	15% (13)	19% (17)	26% (23)	25% (22)	5% (4)
Partnership opportunities	23% (20)	22% (19)	20% (18)	19% (17)	10% (9)	6% (5)
Chance to connect socially with other entrepreneurs	3% (3)	14% (12)	17% (15)	24% (21)	38% (33)	5% (4)
<b>Total Respondents: 88</b>						

**Table 3:** This table represents responses regarding benefits of participating in a Master Mind group from online survey participants who have formerly participated in such a group (MM-F).

<b>Benefits of Participating in a Master Mind Group</b>	<b>1 Not valuable at all</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5 Extremely valuable</b>	<b>N/A</b>
Peer feedback on business problems	0%	0%	0%	17% (2)	83% (10)	0%
Getting advice on making my business more profitable	0%	0%	17% (2)	42% (5)	42% (5)	0%
Marketing contacts	0%	33% (4)	17% (2)	42% (5)	8% (1)	0%
Sales referrals	17% (2)	17% (2)	42% (5)	17% (2)	8% (1)	0%
Access to financial resources	50% (6)	25% (3)	8% (1)	8% (1)	0%	8% (1)
Fresh perspective on new business ideas	0%	0%	0%	17% (2)	83% (10)	0%
Emotional support	0%	0%	0%	17% (2)	83% (10)	0%
Information about new business opportunities	0%	8% (1)	50% (6)	25% (3)	17% (2)	0%
Connections to a wider professional network	0%	17% (2)	17% (2)	42% (5)	25% (3)	0%
Partnership opportunities	0%	8% (2)	42% (5)	50% (6)	0%	0%
Chance to connect socially with other entrepreneurs	0%	0%	25% (3)	42% (5)	33% (4)	0%
<b>Total Respondents: 12</b>						

**Table 4:** This table represents responses regarding benefits of participating in a Master Mind group from personal interviews with microbusiness owners who have participated in a Master Mind group for at least one year (MM-LT).