

## Partnership and Business

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Choosing the right business partner is just as important as choosing a life mate. Yet, we often spend more time trying to figure out what we really want in a mate, putting lots of energy into that search. When it comes to a new business, we tend to let ourselves get caught up in the excitement of the business planning rather than considering the prospective business partner. The truth is, a business partnership is no less a marriage than a life commitment with a mate.

To create a successful business relationship, it is very useful to define and determine those qualities in another person that you would consider “deal-breakers” and “must-haves” just as if you were considering a lifelong commitment with that person. If you are successful, it could be just that!

What kinds of qualities are these?

Communication, trust, integrity, passion for the idea or product, a sense of fairness, honesty, willingness to work through the inevitable challenges, experience and skills in dealing with fear, ability to manage money, respect for each other’s strengths and contributions, ability to make a long-term commitment, appetite for risk are just a few of these.

In the early stages of excitement over a new idea, product or expansion, it is easy to overlook, disregard or ignore obvious signs that your prospective partner might not be right for you. In the beginning, it seems easy to agree on everything. You both want to be successful, make a lot of money and live a life of ease. But, did you discuss what that would mean to each of you and how to accomplish that easy life? What would you have to sacrifice and for how long? How hard are you willing to, work? Did you consider the contribution each of you would make, financially, in resources or services and put a reasonable value on that contribution that you could live with for the duration? These hard questions are worth exploring together. Being willing to speak honestly about what each of you are willing, capable and ready to do is essential to ensuring that the process is smooth, that you can rely on each partner and that you have found someone who matches or complements your needs and appetite for growing your business.

All partnerships should start with open, willing communication. Everyone has a different technique for communicating. Each of us also places a different value on communication. You can be frustrated if you find that want to have regular, weekly meetings to assess the partnership or the business’ progress and your partner thinks those meetings are unnecessary. You may find that you are satisfied with sketching out the broad strokes, but your partner wants to get ‘mired’ in the details. The earlier that you find out what kind of communicator your partner is and their appetite for it, the more likely you will be successful in the day to day running of the business.

In creating partnership, you want to know how well you can trust your new partner, how committed are they to integrity, honesty and fair-dealing. Are these factors important to you, or do you have a “whatever it takes” attitude that the business should get done, no matter what the cost? These considerations may seem obvious up front, but there are countless times in a business’ life that you will encounter decisions that have to be made and that will depend on your sense of honesty and integrity, and your threshold for taking risks. Just imagine how important that would be in preparing the business’ tax return.

How well do you know your prospective partner? Are they in other long-term business or personal partnerships? If they have been through a previous partnership dissolution, what did they learn from that experience? Can they objectively describe what went ‘wrong’?

Have you observed your partner's ability to manage money? Do they have debt that they are managing? Your business can be vulnerable to your partners' creditors depending on the circumstances. Hopefully, you will search out and find someone who is capable of being fiscally responsible and it is important to know how responsible you are, as well.

These are just a few of the considerations you can make in deciding to launch a business in partnership. Taking the time to know your partner is time well-invested in the success of the business. *In the next article, we will discuss methods for getting to know your perspective partner – before you are in business together!*

*This article is part of a continuing series.*