

Finding the Right Partner

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My problem is partnering. I brought in someone to help me run the business, and billed him as my partner. I really needed the help, and thought he would take it more seriously if I treated him like a partner. Then he started making demands I couldn't, or wouldn't meet – mostly for money and time off. He wasn't holding up his end of what I needed him to do, work-wise. It became clear to me that he wasn't partner material. And I ended up giving him the boot. Where did this go wrong?

Many of the best intentions unravel. Bringing a partner in includes shared ownership, decision making and direction setting, as well as shared responsibility. Make sure that the foundation is strong and productive, BEFORE getting into partnership arrangements, in order to avoid problems down the road.

We see many partnerships that work well. Here are some factors to consider, when setting up partnerships.

- Partners must share a strategic vision, even if they bring different skills to the table and have different ideas on how to accomplish that vision.
- Partners must be in the game for more than a paycheck; the responsibility of running an entrepreneurial company often includes

both sweat equity and personal investment. Not everyone is up for that game.

- Partners must be willing to share power, authority and decision making

Let's take a look at how to shift the odds in favor of a partnership that works.

Start with values. How do they feel about money, wealth, power, and authority? How do they deal with legal and ethical challenges? Do they favor cutting corners, or err on the side of perfection at all costs? What's important to the candidate?

Our current owner needs to know how a potential partner is going to react, and whether or not that's going to work for her and her business. Some differences in values are often healthy. 180 degree differences on every value may leave too much room for conflict and dissention.

Talk with partner candidates about how they make decisions. What experiences in the past have shaped how they look at challenges and opportunities, today? Our business owner needs to ask herself, does this potential partner see the world through a similar lens? It's okay to disagree on the tactics, but they need to come together on the core values and strategies.

Money values and differences of opinion about how money is

handed can be at the root of a lot of problems. Find out how partner candidates handle their own finances. Look for examples of how money is handled in previous business settings. Where does the partner candidate sit on the spectrum from free wheeling to penny pinching? Somewhere in the middle is often safest.

Look at credit rating. Partners are often asked to co-sign loans; a poor credit rating can hinder the businesses' ability to get a loan at favorable rates. Having gone through difficult financial times is not a necessarily a show stopper; many of us have run into adversity and come out the other side stronger and better. Be sure it's not an indication of financial instability or irresponsibility.

Next, consider what is personally important. Is the candidate's focus on themselves or on the business? Some people talk more about having time off to spend with family, pursuing a personal hobby. Others are looking to accomplish things, and can explain how this opportunity lines up with those objectives. They are already figuring out on how building this business helps them make a mark on the world.

Consider whether a partner candidate has any experience with the business. Have they felt drawn to the industry, prior to meeting up to talk about becoming a partner is this



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business? Have they already demonstrated the dedication and commitment to this industry, which is likely to contribute to their success in this partnership?

In summary, take your time to get to know a partner candidate. There's no rush. If a candidate tries to rush you, think twice. Deal from strength. Never get pressured into doing something. Listen to your instincts. Check references. Get to know your partner as a friend, and business associate, before you get married.

When pursuing the next partnership deal, our reader needs to consider if she would want to be married to this potential partner. If she can see eye to eye on the big items, if she can imagine living with this partner candidate through thick and thin, if she can handle the ups and downs of conflict, debate and resolution based on shared values, then it may be the right partnership to pursue.

Looking for a good book? Try *The Partnership Charter: How To Start Out Right With Your New Business Partnership (Or Fix The One You're In)* by David Gage.

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