BUSINESS PARTNERS
A PAIN IN THE PROVERBIAL OR A BLESSING?

6 Step Guide To Building Successful Partnerships

CHRISTINE BEARD
Business Coach
Partners in business can be a tricky situation when it comes to success. Frankly, many partnerships fail (including husband and wife teams running a business), but those that succeed, typically achieve much greater levels of success. Indeed oftentimes, they do so more rapidly than if the same individuals went after the same goals, all by themselves.
To avoid conflicting interests and disagreements, partners should determine what their common goal is for their venture. One assumed goal is to make a profit, but how much profit will each of you expect to make?

Also, only shareholders will be motivated by a profit goal. What shared goal will motivate not only shareholders but also managers and employees? What will be the guiding purpose of the venture that you all desire to accomplish?

A devastating mistake is to blindly work together without deciding upon where it is that you are going. Without a destination, any path will get you there and that path may be a treacherous one.

This area is usually the single most critical factor. Everyone has their own set of values but some are more self-aware about these than others. Do you know what your top ten values are and just how committed you are to them?

Everyone typically agrees that certain values are important but if you had to narrow down your list of ten to three or even one, which value(s) would you choose?

Fights and conflicts are not usually started because one party is right and the other wrong. In fact, both parties are typically right; it just depends on the extent to which they are right.

The same goes for values because you will probably have to choose between two perfectly good values at some time and it is better to know the reason why one is more important ahead of time than to wait until your emotions are wrapped up in the moment.

Partners must share common values and live by them to engender mutual respect.

STEP 1  VALUES

By CHRISTINE BEARD Business Coach Copyright © 2017
What competing priorities are there in your own life and that of your business partner’s life that could impact the level of commitment towards the common goal? Someone that will work nights and weekends, day in and day out may experience a conflict with a partner that shuts his/her work down at 5pm to have dinner with his/her family.

One partner may feel that the other partner is not carrying his or her own weight. However, the difference does not necessarily have to be a bad situation that adversely affects the partnership. Although beneficial to have high levels of commitment, partners do not need to share the same level of commitment. At the very least, the partners need to communicate to each other what is their level of commitment for the venture so there is mutual understanding.

There is a saying in business that in the end, self-interest prevails. What do each of the partners expect to get out of the partnership? Be honest! If your self-interest involves your ego, then say so!

One of the most important steps is to set a limit on the amount of time that you are going to work with each other or at least set out how a partner can exit from the partnership. For example, “We are going to join together in this partnership for a period of five years. At the end of that period, we will go our separate ways and the following is how we plan to do so…”

You will save a lot of heartache if both partners agree on the appropriate way to exit the partnership. No one says that you cannot renew the agreement after five years.
Be careful when choosing a partner who has a great deal more experience or much deeper pockets than you.

Obviously, it is great to have a partner that can lend financial resources and experience that you do not possess. Just remember that if a partnership sours and breaks apart, he that has the most experience will get the money and the less experienced will get the experience.

Two minds are almost always better than one. A rope of two strands is strong but a rope of three strands is rarely broken. List out what strengths each partner possesses and then determine how well they match up. If one partner likes building relationships while the other likes building systems and technology, then both strengths together could make a better whole.