

B E R G S T E I N F L Y N N

Building Your Dream Team: 9 Things to Consider Before Choosing Your Business Partners

Recent studies have suggested that of all the businesses that start each year, two-thirds are doomed to fail. In other words, as you sit there contemplating your startup, you're forced to recognize that you have less than a one in three chance of succeeding.

How can you increase your chances of success? While a lot depends on your business type and demographic, one strategy practically guaranteed to improve the odds is choosing the right business partner or partners.

Who Is Your Perfect Match?

We have important relationships with many people in our lives: family, friends, colleagues, even our family doctors and accountants. Your connection with a business partner is so unique and pivotal that it takes a special person to fulfill that role. Here are nine things to consider before extending that partnership offer:

Do Their Skills Complement Yours?

No one excels at everything. Some of us are great schmoozers at networking events while others are better at perfecting the business concept and handling the behind-the-scenes details. If you're the shy, reserved type, you want a partner who complements your business style—someone who enjoys getting out there, meeting personally with vendors, suppliers, and potential customers. Similarly, if you grab eagerly at ideas and opportunities, your ideal business partner would be someone who is more cautious and tends to look at the big picture before committing to anything.

Do They Have a Good Record of Long-Term Relationships?

Actively look for someone who has an excellent record when it comes to long-term relationships. No matter how compatible a person may be with your ideas and personal skillset, if they go from one situation to the next on a yearly or even monthly basis, they may not be good partnership material. You want a business partner with a proven ability to commit and see an endeavor through.

Are They Supportive in Partnership Situations?

Good business partners understand that by giving, you get in return. They're not simply looking to piggyback on your success. When you encounter difficulties and challenges with your agreed-upon responsibilities, they will ease the burden by sharing their resources, contacts, and experience—understanding that when you triumph, so does the business.

Do They Share Your Business Values?

Business values are the foundation of any company and shape it as it continues to grow. You have to have the same vision as whoever you partner with or invest with in order for a long-term relationship to work. Have a serious discussion with prospective partners about what matters most to them, and listen to their answers for any that overlap with your own. It is not necessary to be 100% in agreement: that rarely happens in real life, and small differences can be reconciled. Bigger ones have to be taken more seriously. For example, if you want to set up an artisan boutique that maintains its autonomy but a potential business partner favors alignment with a larger operation to increase profits, they are likely not a good fit for you.

Are They Willing to Adapt?

Businesses need to change and evolve to meet customer needs and market conditions. Anyone you are considering as a business partner has to understand this reality and not be rigid or anti-progress. Imagine a situation where you need to consider changing a core product before it becomes obsolete, but your partner is adamant that you're imagining things and the product is fine as it is. Your venture could fail for one (or both)

of two reasons: tension between yourself and your partner, as well as a failure of the business to thrive in a changing marketplace.

Are They Good Communicators?

An essential component of partnership is being on the same page. To accomplish this, you want to partner with someone who is clear when it comes to both their strengths and expectations. When you're working to get a business off the ground, it's problematic to work with a partner who says yes when they mean no and then fails to clearly communicate their own expectations. When it comes to selecting a partner, this almost always is a deal-breaker.

Are They Self-Motivated?

While the ability to take direction is important, a partner also needs to be motivated. In other words, they should actively and enthusiastically explore new opportunities, peer past boundaries, and come up with new ideas. Look for self-motivated go-getters who say they will do something and then follow through in ways that exceed their own expectations. If you get the impression that you're going to have to shape a potential partner, look elsewhere.

Can They Accept Constructive Criticism?

A lot of people resist constructive criticism, even though it can be a great personal development tool. No one is perfect, however, and you don't want a business partner who is going to take offense to well-intentioned suggestions. Your best chance at business success comes when you fix problems and work on shortcomings as a team.

Do They Have Integrity?

You should never work, let alone form a business partnership with, someone you don't trust. With so much riding on the outcome, you only want to align yourself with a person who has the highest ethical standards. If you don't know a prospective partner well enough, be sure to carry out professional reference checks to ensure that your positive first impression is well-founded.

Choosing a business partner is a major decision because your decision can have an impact on the future success of your enterprise. When you meet someone who shows initiative, is honest, and has an ability to adapt as things change, treat the encounter like the golden opportunity that it is.

Once you have met a business partner you know you can work and invest with, Bergstein Flynn can help you structure and govern your new partnership in accordance with New York state law. We can also provide general counsel services afterwards, so that the business remains on solid legal standing while you and your partner dedicate yourselves to making it a success. To schedule a free consultation, call 718-395-4680 or [contact us](#) today.