

Questions to ask partners before signing business partnership

Building a successful business team starts with finding the perfect business partner. In some scenes, investors may even look for a partner to help with the process of starting a business. The perfect business partner will differ for entrepreneurs. Some investors will tend to choose a passive partner while others will prefer one who takes on a more active role. Some may want a seasoned businessman or woman who brings time-tested ideas to the rooms, while others may desire for a newbie who is eager to learn the ropes.

Developing a business partnership will completely depend on your management style, personality, goals, and vision for the future. You'll need to find someone who shares your values, challenges you to grow, and ultimately, someone who will boost the business' bottom line.

"What questions should you ask your business partners before getting in a partnership? If this question ever strikes your mind here are are you with your partners before coming in a partnership.

- **Do you really need a partner?**

If you can get someone to do something without giving them a stakeholdership in your business, it's always better. Many times you will get wrapped up in the thought of needing to work with someone, but it's not always a great idea.

It's just your startup and you don't expect to make money straight, or you need some financial help but if you can just pay somebody to show up and work in your business, it's normally a better option than giving them a stakeholdership in

the company.”

- **What do I need from a business partner?**

You should look for a business partner who brings up something different to the business than you do. If you're creative, maybe you need a more detail-aimed partner. If you have money to invest in the business, you may want to look for a partner with access to the business in the market, or with great connections. Or if you're shy, you might need a good “people person” to balance the communication.”You need someone who accompanies your skills and personality.”

- **What is your potential partner's financial situation?**

It is essential to have an understanding of someone's financial status and commitments before getting into business together. In case of emergency if the business goes from the toughest times you both can balance and make it stable.

- **What are the partner's expectations of the time involved?**

Partners don't have to spend equal time, but they must be similar to each other's expected time commitments. How many hours a day does your partner expect to put into the business, and do his expectations meet yours? Both partners need to set on each other's expectations on time of commitments.

- **Is your partner's commitment to the business as strong as yours?**

The business partner's commitment has to be as equal as yours,” A partnership between friends can begin with fun and excitement, but within a short period, the hardworking power of everyday life catches up with you. If they're not as committed to the business as yours, they may lose their enthusiasm and maybe damage the brand reputation.

- **Is there something in your partner's family life that**

might make the business a secondary interest?

If your potential partner has a pregnant wife or is taking care of an elderly parent, or maybe some different issues. Your partner may be distracted from the business. That's why you have to be frank, honest, and clear when thinking of forming a partnership.

▪ How would they handle a tough time?

It's important to know how your partner will handle the toughest situation and what he/she will do. If he has his back up against the problem and it will definitely affect the business in a good way. The best way to find out is to look at what he's done in past business. If he couldn't meet payments, for example: Did he do the right thing and dip into savings or borrow from a credit card or a friend Or did he pay employees late, or not at all? Or did he skip paying payment taxes? This could help to make decisions.

▪ What questions do you have for me?

A perceived lack of interest can cause a communication problem between you both. A business partner should want to know about your character, reliability, and expectations. Even you should expect them to ask you some questions as you ask him.

If he says it doesn't really matter, it could mean two things: their expectations are too high or they might be kind of carefree," Things may look fine for now, but in a month or two, he may want to change things or even get out of the deal."

▪ What is the partner's standing in the community?

A lot of people seem good at first sight, but maybe their skill seems good at first. If you're looking for a partner with money connections, have a confirmation that he has money. If they say they have great connections, see if those connections go beyond just being recognized.

- **Are they willing to put everything in agreement?**

Many partnerships are bound with a handshake, but this can be a disaster plan. It's determined to put it on paper not only what is expected of each partner, but the consequences if expectations aren't met. There's something about actually putting it in written agreements that exposes the future problem areas in the partnership.

If in case he has a family emergency and disappears the first six months from the business even though it may not be through any fault of his own are you still expected to give that person rights or the percentage of the business? In such a case, you have to be ready with the business policies in written agreement so there will be no such issues created.