

Video: Partners

Subject	Notes
4 th Pillar	Partners – Needs to be equally as strong as the other pillars. A weak partnership can impact the other 3 pillars. It's no secret that having the right partners can lead to great success. However, having the wrong partners can have the opposite affect and lead to dysfunction, poor performance and ultimately failure.
Stats	80% of businesses fail 70% of partnerships fail 50% of marriages fail
Marriage	Date many partners to find the right one Date for a long period before you get married Take time to pick the perfect partner 50% still result in Divorce
Partnership	No large partner pool to pick from No long period of practicing business together Spend 40-50 hours per week working together High Stress Different goals Different strategies Different work ethics Different communication styles Many decisions have financial impacts No wonder 70% end in failure
Advice	Spend 60 days working together on the business plan to see if you are compatible.
Reasons people get partners	<ul style="list-style-type: none"> - Don't have a job - Don't have the funds to start a business - They are friends or family - It will be fun - Want to lower their risk - Afraid to do it on their own <p>These are all motivations and not reasons. This is no different than the exercise we went through for starting a business.</p>
Right Reason to get a partner	It starts with the reason: The partnership provides you with the ability to achieve something you can't achieve on your own. If you can achieve it on your own then you should pursue it on your own. There is no sense in adding a 70% chance of partnership failure to your already risky business start-up.

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<p>After reason, what is needed to make it work?</p>	<p>Complementary Skills and competencies Compatible personalities Shared vision Effective communication styles Agreed upon goals Beneficial experience Maturity Commitment Defined roles and expectations Personal Trust Trust in abilities to perform Trust in decision making abilities Egoless Social Stability</p>
<p>Don't chase the \$'s</p>	<p>You must evaluate if it will really work. 70% fail so don't risk a partnership unless you clear all the partnership hurdles.</p>
<p>Example of a partnership that worked</p>	<p>1837 Candle stick maker and a soap maker Economy was in distress Both would fail on own Products had similar manufacturing, materials, and customers. Partnered and bought better equipment, lowered material cost by buying in bulk, and increased sales by cross-selling both products in 1 visit. \$65 billion in sales today Proctor and Gamble</p>
<p>Users Additional Notes:</p>	