

Partnership Question List

Use this list of questions as a primer to help choose the right business partner(s). As you learn more about what your business needs and what you want in a partner, add your own questions to the list:

- Why do you want to be a partner in this business?
- What do you bring to the business that compliments my skills, knowledge, and abilities?
- What are you prepared to invest and how do you see getting that investment back?
- Is there a relationship at stake outside the business? (friend, family member, political, etc.)
- How long do each of you plan to remain in the business?
- What is your exit strategy? (retirement, sell, franchise, walk away, etc.)
- Would the business survive if the partner left?
- Who is going to handle the money?
- The business should not be a 50/50 split. At a minimum, it should be 51/49. Who will be the 51% owner?
- Which of you will be the president and have the final say in decisions?
- Has everyone signed a partnership agreement? (This should be done before money changes hands or the doors open)
- What are your expectations for a salary and how soon do you expect to earn it?
- What if one of you wants to bring in another partner?
- What is the potential partner's personal financial situation?
- What are the potential partners' expectations on the time involved?
- Is your potential partner's commitment to the business as strong as yours?
- Is there something in your potential partner's family life that might make the business a secondary interest or become a brand/public relations/conflict of interest issue?
- How would this partner handle a tough situation?
- What happens if we can't work something out?
- What is your history/relationship with your partner?
- Could either/any of you fire the other?
- What combo of money/experience/connections does the partner bring to the company?
- What are the personal financial and business goals of each partner?
- How Different are each partner's management styles?