What Makes a Great Partnership?

After more than 25 years of consulting with large and small accounting firms, I feel comfortable in sharing with you my observations about great partnerships and how they got that way.

Most new firms, and some long-time firms, unfortunately don’t give a lot of thought to this question. Their main concern is surviving. But the sooner a firm can start focusing on what makes a great partnership, the better off it will be. Think about this, if you don’t address this question, how will you know if you are admitting the right types of partners? What technical and personal skills would you want? What personal values (character) would you look for?

The following seven characteristics form the foundation of a great partnership. If you are missing any of them or if you merely need to improve in some areas, now is the time to start strengthening your firm’s foundation.

**Trust**

The foundation of any good relationship is trust. Trust in a partnership can be view from several perspectives. First, you must trust that your partners will do the right thing. And you trust that they will do what they say they are going to do. Second, partners must feel that they can be open with each other by admitting when they don’t know something or need help to properly serve a client. Patrick Lencioni places “lack of trust” at the base of all team problems in his book *The Five Dysfunctions of a Team*. Without trust there can be no productive conflict, commitment or accountability.

**Common Values**

Some people may argue with me, but I believe that having common values is the very foundation for the successful partnership. This does not mean that partners are clones of one another, but partners need to agree upon the firm’s core values. For example, you value integrity – always doing the right thing - and one of your partners only does the right thing when others are watching. You and the other partners are going to have constant issues with this one partner. Lack of common values becomes extremely disruptive in a firm. If you want to strengthen your
partnership, identify and define your core values. Most importantly, make sure you live them.

**Chemistry**

Birds of a feather flock together according to the old saying. The key question as a leader of a firm is this, “How do you feel about each of your fellow partners?” Would you still make them a partner today?

You can generally judge your chemistry with someone in the earliest minutes of meeting them. It’s often best to trust your first impressions, which are based on a lifetime of experience interacting with other people. However, I have found that it takes time for the chemistry to work. A good chemistry comes about as we learn more about the other person.

How do you feel about the other person over a business dinner or in a group setting? Does a different person come through on the golf course or over dinner with spouses? What clues do you see in the person’s interactions with others in your organization? How does the partner treat employees?

If you are not comfortable with a current partner, it’s best to take heed and address the issue.

**Defined Expectations**

I have found that the best partnerships set goals for each of the partners at the beginning of the year. And they don’t try to make all the partners do the same things. They look to leverage each partner’s strengths. Each partner knows his role on the team and its corresponding value.

In a high-performing partnership, the CEO and the partners jointly develop goals and the corresponding rewards. Performance is reviewed at least quarterly and the partners help each other become successful because they realize it is not a zero sum game.

**Mutual Respect**

When partners have defined expectations and understanding of each others strengths, they develop a mutual respect for each other. As a partner meets or exceeds his or her goals, the feelings of respect for that partner only increase. Of course, underperforming partners lose respect of their team members in this environment and will quickly self select themselves out of the partnership. Respecting your partner in key areas is indispensable in making a partnership work.
**Synergy**

Great partnerships create more than the sum of the whole. They are able to match one partner with another whose skills and experience are different. And when they are added together they create a synergy where $1 + 1 = 3$ or more. If you are a big picture person, then you want to be partnered with a detailed person. If you are a strategic leader, then you want a partner who is a good implementer.

**Great Two-Way Communications**

The above elements of a good partnership won’t make much difference if there is not good or great two-way communication in the firm. Managing partners and partners need to communicate frequently and effectively to make a partnership work. Poor communication is often at the root of many a partnerships problems.

Great partnerships often have short, but important, meetings in order to address important projects and priorities. Progress towards the firm’s strategic goals is often on top of the agenda. They use both structured meetings and unstructured communications such as e-mails, voicemails, and office stop-bys.

Great partnerships are made. They take time, effort and vision. Start making yours today!

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