



Week 6, Journey 7: Partnerships

The Iowa Center Women's Business Center
Iowa Center for Economic Success



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Ascent: Journey 7 – Partnerships

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Excursions

The Value of Business Partnerships (19 minutes)

Partnership Opportunities (18 minutes)

Managing Business Partnerships (27 minutes)

Partnership Strategies for Growth (21 minutes)

Total Time: 85 minutes

The Value of Business Partnerships

A business partnership can help your business accomplish more than what it can do on its own. But for a partnership to be successful, forming the right type of partnership and selecting the right partner is key. The resources provided here will help you weigh the pros and cons and explore the do's and don'ts of forming business partnerships. This excursion within the Partnerships journey will guide you through what you need to know to identify the value of business partnerships.

- **Why partnerships matter**
 - Explore the different forms that business partnerships can take, as well as the benefits and risks of forming these relationships.
- **Achieving Synergy Through Partnerships**
 - When it comes to growing your business, you don't need to go at it alone. In fact, partnering with other individuals and businesses can offer a major key to unlocking your growth potential. Learn from the experience of Nicole Cober of Cober Johnson & Romney in this interview about partnerships with Kathy Korman Frey.

Conclusion – The Value of Business Partnerships

Business partnerships aren't always easy or perfect, but with the right partners—who have an equitable interest in the partnership's shared goals, collaborate effectively and demonstrate mutual respect—they can be an excellent strategy for growth.

- *“No matter how brilliant your mind or strategy, if you're playing a solo game, you'll always lose out to a team.” —Reid Hoffman, Cofounder of LinkedIn1*
- *“I do myth-busting for a living, so I go to media, I am a counselor, instructor, so I get entrepreneurs at varying levels. And when I get that start-up or that person that's doing the side hustle and wanting to convert, their biggest thing is, you know, I don't want to work for someone else, and that's always a red flag for me. Because even though I was a solopreneur, even though I have a partnership now with varying levels of success, you are in partnership with everyone—you're in partnership with your customers, you're in partnership with the media to make sure that people know who you are, you're in partnership with the government to give you business, you're in partnership with the banks and the bank lenders. So if you are not adept at being open to listening, receiving advice, communicating effectively, you're going to go out of business. Full stop.” —Nicole Cober, Principal Managing Partner at Cober Johnson & Romney*

To continue your exploration:

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- [Choose Your Business Structure: Partnership](#)
- [Choose a Business Structure](#)

Partnership Opportunities

Partnerships can take many different forms and can help your business achieve a wide variety of goals. The tool, information and resources provided here can help you fill gaps you've identified at your business with the right types of partnerships. This excursion within the Partnerships journey will guide you through what you need to do to assess opportunities for business partnerships.

- **Opening the door to partnerships**
 - If you're a solopreneur, you have a vision for where you want to take your business. But at a certain point, you may want to consider finding partners who can share in that vision. In this conversation between Kathy Korman Frey and Nicole Cober, learn about tamping down reservations about partnerships and maintaining a mindset that is open to the many kinds of relationships that can help you grow your business.
- **How can a partnership help my business?**
 - Assess partnership opportunities for your business.
- **Formal and informal partnerships**
 - Read how Kristina Pence-Dunow, President and CEO of Hometown Trolley, boosted her company's growth through her goal-oriented focus and several pivotal partnerships.

Conclusion – Government Contracting Opportunities

Partnerships can be a great way to grow your business. The types of partnerships you'll form will depend on the specific gaps you've identified and are trying to close in your business, and the type of growth you're aiming for.

- *“Having a business is so dynamic—you have to be in a community, you have to like people, you really do have to like people. You have employees, you have people that because they like you, because they see you on Instagram, they feel a connection to you. They want to support you. They want that business. And so, if you don't get anything else out of what I say is, you know, partnerships is (in air quotes, or maybe not air quotes), but it is not just ownership partnership. Every type of business has varying levels—it's a legal partnership, there are financial partnerships, there are marketing partnerships, and there are owner partnerships. And if you find that those things threaten you, they're intimidating, that's something ... a skill that you need to learn. Work on your people skills before you endeavor to do any type of business so that you can maintain that openness.”—Nicole Cober, Principal Managing Partner at Cober Johnson & Romney*
- Forming a partnership should benefit both your business and your potential partner's business. The steps below can help you make this assessment:
 - Identify areas of potential gaps/needs in your business.
 - Consider what type of partnership can help meet your needs—joint marketing, referral, etc.—and what you hope to gain from the partnership.
 - Think about what a partner can gain from you. For example, what strengths and assets do you bring to the table?

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- Make sure your potential partner’s goals align with your own.
- Through their many formal and informal partnerships—such as partnering with family members, partnering with the SBDC, and financial partnerships—Hometown Trolley succeeded at innovating; building a new, bigger facility; acquiring a business unit from a multimillion dollar competitor; and selling in international markets. Kristina Pence-Dunow has laid the groundwork not only for her company, Hometown Trolley, to flourish, but also to be a role model for women entering the market.

To continue your exploration:

- [How to Partner with NASA](#)
- [National Science Foundation—Partners](#)
- [Partnership Resources from the United Nations](#)

Managing Business Partnerships

Forming partnerships with other entrepreneurs and businesses is a great strategy to grow and scale your business. To reap the benefits of partnerships, they must run smoothly. Conflicts between business partners can quickly become a hurdle standing in the way of success. But with the right information and tools, you can proactively think through and plan for common partnership pitfalls. This excursion within the Partnerships journey will guide you through what you need to do to design a plan to manage your business partnership effectively.

- **Tips for a successful business partnership**
 - Watch what it takes to prevent conflicts between business partners and diffuse the drama, especially when family or friends are involved.
- **Barriers to effective partnering**
 - Review an inventory of the common partnership pitfalls along with some key strategies to either help prevent them or address them effectively.
- **Outline your partnership agreement**
 - Begin outlining your partnership agreement with this handy tool.

Conclusion – Managing Business Partnerships

You’re now aware of some of the top reasons why partnerships fail. You’ve also explored several strategies, including putting together the all-important partnership agreement, to help manage your partnerships effectively.

- One step that can help prevent conflicts with your business partner is to use a partner selection framework that will help you choose partners who complement your strengths and weaknesses while sharing your values. One such framework is the management vs. leadership approach created by Harvard Business School professor John Kotter.
- Some of the top reasons why partnerships fail include misalignment in values and working styles, ambiguity around roles and responsibilities, uneven decision-making power and lack of communication. These common partnership pitfalls can be addressed using the following strategies:

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- Developing a partnership agreement
- Assessing you and your partners' strengths, weaknesses and needs
- Communicating by putting in place formal and informal communication routines
- Seeking guidance from a neutral third party, such as a business coach
- The elements in your partnership agreement will depend on the type of partnership you'll form, the type of business you're running and the specific points of importance for you and your partner(s). However, every partnership agreement includes certain standard elements such as partner contributions and ownership, roles and responsibilities, specifics about decision-making power, and exit strategy.

To continue your exploration:

- [Preserve and Strengthen a Business Partnership](#)
- [Partnership Agreement: 50 Questions to Answer](#)
- [Partnership Agreement Checklist](#)
- [Worksheet of Considerations—Partnership Agreements](#)
- [Sample Partnership Agreement](#)
- [Partnership Agreement Example](#)

Partnership Strategies for Growth

Forming partnerships can help spur business growth. Mergers, acquisitions, joint ventures, franchising and licensing are all partnering and expansion strategies. Explore essential information about each of these strategies to help you decide if any of them are right for your business. This excursion within the Partnerships journey will guide you through what you need to do to consider opportunities for joint ventures, mergers and acquisitions.

- **Mergers, acquisitions and joint ventures**
 - Get an overview of mergers, acquisitions and joint ventures—partnerships that can help grow your business.
- **Growth partnership strategies: franchising and licensing**
 - Weigh the pros and cons of buying a franchise or a license, and take steps to locate and evaluate your franchise or license opportunities.

Conclusion – Partnership Strategies for Growth

When carried out effectively, mergers, acquisitions, joint ventures, franchising and licensing have the potential to benefit your small business greatly—giving you access to new markets, reputed brands, new talents and resources; boosting your revenues; and adding value to your products and services.

- Did you know? According to research conducted by the University of Utah and the University of British Columbia, women directors (women on boards) negotiate more valuable merger and acquisition deals.¹
- Both franchising and licensing can enhance your access to already-conceptualized and proven business growth opportunities. To help you decide whether these strategies are right for you, consider your current business needs. For example, if you want help setting things up, a franchise

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will fit your needs. But if you're wanting more control over managing your business, a license may be a better fit.

To continue your exploration:

- [Joint Ventures in the SBA Mentor-Protégé Program](#)
- [What Is a Franchise?](#)
- [International Franchise Association: Top Resource for Franchise Opportunities Worldwide](#)
- [American Association of Franchises and Dealers](#)
- [International Franchise Association: What Is your Passion?](#)
- [Licensing International](#)
- [Digital Media Licensing Association](#)



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