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| **Chapter 1:** | **Partner Compatibility** | **Activity 6** |

**Instructions:** Fill this questionnaire out independently, and then give a copy to any prospective business partner to fill out privately. Once you’ve both completed it, reconvene, compare, and discuss.

**Personalities and Incentives**

* **Reason:** Why do you want to help start a company (in general and, right now)?
* **Motivation:** What motivates you (e.g. a technical challenge, an overall problem, helping the world, etc.)
* **Goals:** What are your respective personal goals for the startup (e.g. a sustainable business that is spinning off cash and running it forever or high growth and some type of liquidity event?)

**Ability**

* **Capabilities**: What are you awesome at?
* **Suckyness**: What are your absolute weaknesses or things you hate to do? It’s best to be able to complement each other.
* **Learning:** What do we need to learn ASAP? How will we address these?
* **Match:** Why do you think we’ll be good together?

**Attitude**

* **Work ethic**: Do you work 100-hour weeks, or 40 hours? How many hours a week could you see yourself committing to this project?
* **Work Style:** Describe your working style to me in a few words?
* **Handling stress:** How are we going to be able to handle stress and stressful situations?
* **Decompressing:** How do we unwind? How do we make this sustainable?
* **Change of heart:** If either one of us loses interest and wants to move on, how can we handle the situation?

**Aspiration**

* **Exit goal**. Where do you see yourself in 5 or 10 years? Are you swinging for the fence with high likelihood of failure, or more modest in your goals?
* **Exit**: Would you prefer to create a lifestyle business or attempt to sell the company in 10 years?
* **Sell out price**: If someone made an offer in a year, what would you sell for? Is there a price you are both ok to ‘sell out’ at? Say $1m in the first year, $5m in year two?
* **Press**. How motivated are you by celebrity? Are you ok that as the CEO I’ll do the interviews?

**Commitment**

* **Pay**. Can you afford low pay, or do you expect 6 figure salaries the moment you can?
* **Piggy bank**: How much have you saved? How many months can you go without cash in the bank?
* **Full time**: Are we both going full time on this, or are we going to keep applying to jobs until a certain point?
* **Commitment duration**. Are you in for 3 years or 10+?
* **Family**: What happens when someone gets married and does the kid thing…? What commitment is still expected?
* **Test period**. How long do you think it will take to figure out if this has legs? Are you going to ‘give it a go’ for 3 months and see how it goes, or do whatever it takes for as long as it takes?
* **Missionary or mercenary**: What gets you out of the bed in the morning? Are you doing this out of passion or a better financial outcome?
* **Primary focus or side-hustle**: Are you doing this 100% full time with no distraction?
* **Other**: What if anything can we do on the side? Can we be mentors at accelerators? Can we do advisory roles of other startups?

**Decision making**

* **CEO**: Determine who will be CEO, and the upper management structure. Who will make the decisions?
* **Decisions**: How will decisions get made? Where do you trust one another to just do things and when do you talk things out?
* Can you outvote me?
* Can either of us fire the other?
* If one of us gets fired, what do we leave with?
* **When things happen**: What do we do when one of us needs to get fired?

**Equity**

* **Splits**: What is the equity split and is it even?
* **Investment**: If we put in cash, how is it dealt with? Debt repayable from investment, convertible debt, sunk cost as an equity investment?

**Execution**

* **Feedback:** How are going to provide feedback to each other?
* **The short-term**: Who is going to be accountable for what in the first 6 months (before you have staff etc)?
* **Funding**. Is this a VC funded approach or a bootstrapped?
* **Pivoting**: If things aren’t working, are we both OK to keep testing new things?
* **Prioritization**: What are the three things you could be working on right now and what are you working on- how are you making it happen?

**Culture**

* **Culture**: If you had to come up with 3 words to describe the culture you want to create, what would they be (e.g. open, hard-working, eccentric)?
* **Staff trust**: Do you have a view of trust and openness? What kind of person will succeed here? Do you want to hire amazing people and let them fly or are you a B player worried they suck and will lose control?
* **ESOP (employee stock ownership plan)**: What are your views around giving staff proper equity to incentivize them to kick ass? You don’t want to be super cheap with equity. What are you OK giving the staff? What about the first 5 staff?
* **Value**: What would be our top 5 values? What company do you admire? You can learn a lot from someone by what they value and articulate.
* **Tech vs Business**: Do you think this should be a tech or product focused company?
* **Developing staff**: How do you help people grow to the next level and be their best?