

WHAT TO CONSIDER WHEN CHOOSING A CO-FOUNDER

Understand exactly ***what you're looking for in a business partner***
and how to ***assess your compatibility.***

In partnership with Vestd,
the share scheme and equity management platform for startups and scaleups.

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CO-FOUNDER COACH**



HEY THERE

Deciding to enter into a Co-Founder partnership is one of the biggest decisions you'll ever make, so it's vital that you take the time to assess and understand the partnership fully before committing.

65% of high-potential startups fail due to Co-Founder Fallout (Harvard Business Review). If a partnership isn't properly constructed or nurtured, it can jeopardise the business. But if a partnership is a considered match and is continually nurtured, **it can be the competitive advantage that enables your success.**

This guide helps you by covering some key topics I work on with clients. With the goal to understand exactly what you're looking for in a business partner and how to assess your compatibility.



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*I'm Nicki, a Co-Founder Coach.
I specialise in uniting business
partners by building an aligned vision
and a clear plan for growth, so you
can successfully scale.*

WE'RE GOING TO COVER:

- 1 - What I wish I'd known before I became a Co-Founder
- 2 - Why do you want a Co-Founder?
- 3 - Your ideal Co-Founder
- 4 - Getting to know each other
- 5 - The questions to ask before you commit



ARE YOU SURE THIS IS RIGHT FOR YOU?

This is very personal and lots of variables determine the questions I'd ask ([book a free call](#), my door is always open). But here's some things to consider:

If you're starting a business from scratch together, how will you transition into being Co-Founders? If you have an existing relationship, how will this be impacted? (The work to follow will help with this).

If you're looking for a Co-Founder to join your venture, are you clear what it means in practice? IE How will you adjust to entrusting shares to someone new? Have you thought through equity split? And how you'll manage hierarchy?

I know some people search for a Co-Founder for years and don't find who they want; so at what point are you letting that hold you back? Is a Co-Founder essential, or would a CTO, COO etc be viable?

Wherever you're at, [Vestd's resources on Prenups and Agile Partnerships](#) are important to check out.

I'm a Co-Founder at branding agency LUNA + LION. Scarlett and I used to work together, became best friends, and then became Co-Founders. I'm really proud of the partnership we've created and I've learned A LOT along the way.

HERE'S MY REFLECTIONS ON WHAT I WISH I'D KNOWN BEFORE I BECAME A CO-FOUNDER:

It will be the most complex relationship in your life

Think colleague, boss, friend, spouse, therapist all in one.

They will see your flaws

You need to be ok with that and become aware of them and commit to working on them.

You'll have really (really) hard conversations

And the worst thing to do is avoid them, so get good at communicating.

You'll feel driven to get results for them

I underestimated how much I'd want LUNA + LION to succeed for BOTH of us, not just for my own experience.

They will see sides of you that nobody else has

The pressure, the highs, the lows, it's definitely brought out parts of me even I've not seen before.

They'll frustrate you

When you're so connected to someone everyday, it's going to happen... let's not deny it. It's about how you manage it and take responsibility for it.



WHY DO YOU WANT A CO-FOUNDER?

How can you get the right Co-Founder if you're not clear why you want one in the first place?

I find the reasons sit across two buckets: ***emotional and practical***, so write this out and prioritise them to understand what your driving motivators are. Getting clarity on this is so important to inform what the partnership then looks like in practice.

If you already have a Co-Founder in mind, ask them to complete this and discuss your answers. It will show the similarities and differences on what you expect from this partnership, which is critical information.

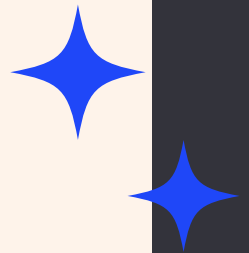
Here's some examples to help guide you, but make this personal to you.

EMOTIONAL

- Someone to share mental load
- Help to validate decisions
- Day to day companion
- Someone to celebrate with
- Motivation and accountability

PRACTICAL

- I need their skill set
- To appeal to investors
- To challenge my ideas
- They have X contacts/network
- Help with the volume of work



YOUR IDEAL CO-FOUNDER

Take your answers from the last page and use them to help inform your ideal Co-Founder profile.

I'm not saying the partnership will only work if they have all these qualities, but this allows you to get clear on the specifics you're looking for. Then ***you can consciously decide what you will and won't compromise on.***

If you've already got a Co-Founder you're setting up with, complete this objectively and use it as a lens to understand how well this current partnership fits, and ask yourself how you can address any discrepancies (ie an extra person to address a skillset gap, a need to align on working style etc).

Demographics

- Do you have a valid reason for a looking for a certain age, gender identity, location etc

Skills

- Certain qualifications, platforms / software experience, a niche expert vs multi-disciplinary

Work experience

- Previous roles and responsibilities, companies, size of business, certain global markets



Life experience

- Overcome a certain challenge, lived abroad, has a story that connects to your mission

Personality

- The key qualities you're looking for, and how similar are they to you?

Values

- What's important to them and the core principles they live by?

Lifestyle

- Hobbies, family, social habits, wellbeing, finances

Short and long term goals

- What are they working towards in their personal and professional life?

Working style

- Do they prefer a structured 9-5, do they like to collaborate, are they working from home, are they good people managers?

Anything else

- What else comes to mind as you write this?



GETTING TO KNOW EACH OTHER

Assess your dynamic in different environments and situations. Get to know what makes them tick and connect as your true selves, not just when you're in work mode.

Meet them for a coffee, a walk, in an office, have video meetings, go to the pub; whatever environments and situations reflect the partnership you want to build.

Here are some free resources to use:

My exercise on [personal values](#)


Understand each other's [communication style](#)

Take the [Saboteur](#) test to see what triggers negative emotions and responses

Discuss [stress languages](#) and what you relate to

Take the [Love Language](#) quiz to share how you like to receive recognition

Look at [Top Human Needs](#) for the driving force behind decisions (more [info here](#)).



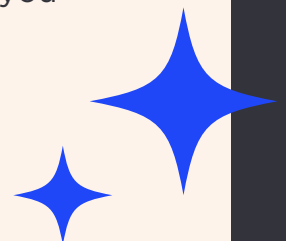
The best way to test a partnership is to put it into action, so don't spend too much time talking rather than doing. Start solving problems, having brainstorming etc. Set up a trial period (1 - 3 months) with a clear structure, success metrics, and regular feedback.

This is very personal and lots of variables determine how this would work (I'm happy to chat about this on a [free call](#)), but get to know each other thoroughly, and put the partnership to the test.



THE QUESTIONS TO ASK BEFORE YOU COMMIT

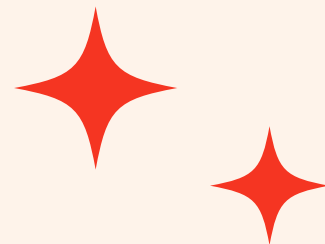
- Are you clear and aligned on the mission for the business?
- Are you clear and aligned on the long term vision for the business?
- How well does this fit into the long-term vision you have for your individual lives?
- Do you agree on the core values of the business?
- Have you decided how you'll split equity?
- Are you aligned on the business' financial priorities and goals?
- Are you able to have open and constructive conversations about money? Do you know each other's personal financial motivations?
- Are you clear on your individual roles and responsibilities, and how many hours a week you will commit to this partnership / business?
- Have you mapped out your decision making structure? What decisions can be done individually vs what needs to be agreed on as partners?
- What will you do if you can't agree on an important decision? Is there an advisor / coach / mentor you can turn to?
- Do you feel comfortable expressing different opinions and challenging each other's ideas? How can you make sure that's something you foster between you?
- When something goes wrong, do you know how you'll respond as individuals? How do you handle stress? And what support would you want from each other? Talk through some specific examples



- The superpower of being Co-Founders is that there's multiple opinions and perspectives; how will you foster collaboration and manage compromise?
- Are you able to share constructive feedback with each other? Do you have a set process for this?
- Do you acknowledge your individual strengths and weaknesses and how you can develop those?
- Do you know what needs to happen for you to commit full-time to this?
- Do your working routines and habits align? IE working hours, work location, boundaries around communication out of hours etc
- Are you clear on what you expect from this partnership on a personal level? If there's a friendship here, how will you manage that?
- If you have a team or are looking to build one, are you aligned on the team and the culture you want to create?
- In the unfortunate event that you decided not to work together anymore, what would happen?
- Are you committed to building this business as a **team**? And prioritising regular meetings to reflect on and strengthen your partnership?

Have a think of what else you want to know and understand about each other and the business. Don't just focus on the present moment, think about how this might evolve and how you want to navigate that.

I also recommend exploring this resource from [Y Combinator](#) (scroll down if you want some specific, 'getting to know each other' questions) and this [AWS](#) resource which is really extensive.



Let's not forget, when it comes to relationships logic only gets us so far. Don't downplay the importance of gut feel and genuine connection when it comes to finding a partner.



It's that 'click' with someone and all the reasons you just 'get along' that count for A LOT when things get tough, and can mean you make it as Co-Founders, or you don't.

Allow yourself to FEEL this process, not just THINK though it. To borrow some very well-phrased words from Y Combinator:

“If your startup works, you are starting a 10 year relationship with someone. That’s how long it takes to build a successful company.

So, don’t over-optimize for someone with some skill you need right now. As a founder, your job will change every 6 months anyway.

Instead, think about who you would want to work with for many years.”





SO WHAT NOW?

I really hope this has helped you understand exactly what you're looking for in a business partner and how to assess compatibility.

If I can help integrate these insights and direct you in setting up a successful partnership, this is how I can help:

- My [coaching programs](#) either 1:1 or as a Co-Founder team
- My [Confessions of a Co-Founder](#) newsletter
- My digital [resources](#)

When you're ready to formalise the terms of your Co-Founder Partnership, check out **[Vestd's resources on Agile Partnerships](#)**.

They cover Co-Founder prenups, vesting schedules, and so much more important information.

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