

## Partner with Skilled & Trustworthy People

Finding friends at the age of 10 is pretty easy, I think. Finding a business partner anytime after the age of 20 is much harder. Trust is the issue and that is why so many 20-somethings start a business with their college or high-school buddy. There is built-in trust in those relationships.

One of the oldest debates in the startup world is whether you should have a co-founder or go solo to get started. Some investors only like founding teams of two or more. Some investors prefer clean ownership structures where each co-founder owns the same relative amount. Many investors shy away from sibling teams or married couples. I prefer to look at each case individually.

As for me, I have done the startup thing solo and with partners and the bottom line is that it all depends on the business and of course it depends on you. If you are contemplating making the leap and are ready to build your fort, this issue should be on your mind.

There are three factors that influence my thinking here:

1. Skills
2. Effort, and
3. Credibility.

Each startup will require a minimum amount of skills to get off the ground. If this is a software startup, someone needs to know how to write code. That seems obvious, but I am still surprised by the “business” guy that shows up in my office articulating their mobile app idea and have no real idea how it’s going to get made. Coming in to see me for investment capital so that you can go out and hire a developer is not the answer. Why?

Let me take you back to page 27 in this book. It’s not your idea; it’s the execution of your idea. To that end, the software developer you need to build out your idea is actually more important to the company than you are at this point. So, your decision to use a contractor or the decision to outsource the development of your gold seems kinda weak to me.

Your role is to marshal the resources necessary to get to the next phase/level/step. Thus, your analysis of what you need to get this off the ground is pretty simple. Do I have the necessary skills to execute the first phase? If not, you best find a partner or co-founder.

Too many founders operate on a vision of the company three years out when there are customers, employees, desks & chairs, and strategic decisions to make. Very few understand what steps are necessary to get to that place. You can’t make decisions at this stage with an eye three years out. You can’t execute month 30 without surviving month three. You need to make decisions that give you permission to live another day. What resources do you need NOW to give you the credibility to get through to the next level?

What sorts of skills are necessary at this stage and what sorts of skills can you live without for a while? There are only two categories you need to worry about right now: (1) customer development, and (2) product development. The prioritization is in that order too. Everything else can wait. Don’t recruit your CFO. That can wait about three years – if you are lucky and good.

As I outlined in the “socialize your idea” phase, understanding the needs of your customer is paramount to building a great company. So, who is going to serve that role? Are you one of these people that the very thought of cold-calling someone makes you run to the bathroom and hide in fear? Don’t freak out

yet, maybe you can find another way. Is your idea one where future customers will find you on the web, download your app and never connect with you on the phone or in person? (I will still argue that you still need to talk to your potential customer, by the way.) Well, maybe you can get away with hiding on your computer for a little while. If that is the case, you best be able to understand how to find and engage online customers early on so that you can get that feedback loop going.

Customer development skills are a critical aspect of the company. Most of us with a builder orientation ignore or minimize the customer parts of our business. Someone else will grab my product when it's done and they will spin their magic selling skills and all will be good in "fill-in-my-company-name" fairyland.