

# Rands with Sense

## Pro's and Con's of a Business Partnership

1. A business partnership is a type of business entity where the **partners or owners of the business share** the profits and losses of their business.
2. When you run your own business by yourself, you only have your skills and knowledge to help you. What makes a business partnership nice is that **you can have other people contributing their own skills** and talents to the business.
3. A business partnership is also very easy to form, because it **doesn't require many legal documentation**.
4. Having a business partner can also lighten the work load that comes with running a business, because you **share the responsibilities**.
5. However, because it is so simple to form a business partnership, **there could be possible drawbacks**. The informality of a business partnership can lead to fraud if a partner mismanages the company's finances. You also won't have total control of the business, because you will be sharing decision making responsibilities.
6. Before you decide to form a partnership, **ask yourself if you are someone who works well with others** and won't mind making joint decisions on everything.
7. Your partner needs to be someone who shares not only your vision for your company, but also your values.
8. If you do decide to enter a partnership, make sure you **have a full agreement in writing**.
9. This agreement should include each partner's responsibilities, as well as the way in which profits and losses will be handled in the company. Having a written agreement when it comes to money is always a good idea, no matter what the situation.

