

*Ask The Business Lawyer's*

# HOW MONEY MINDSETS CAN [BLEEP] YOUR PARTNERSHIP



## BONUS EXERCISES

BY NINA L. KAUFMAN, ESQ.

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## Introduction

*“The only way not to think about money is to have a great deal of it.”*

- Edith Wharton (1862 - 1937)

*“What’s money? A man is a success if he gets up in the morning and goes to bed at night and in between does what he wants to do.”*

- Bob Dylan (1941 - )

Money. Studies show that it’s the #1 cause of breakups in all relationships. It’s certainly among the top reasons tempers flare and discussions get heated in business. Not enough of it, different ideas about how to spend it, what to do with it, when to distribute it, when to seek more of it, how to pay it back, who has it, who doesn’t, who needs it more – what a mess! It’s probably the area business partners most need to discuss and the one they confront the least.

Business partnerships are, in some ways, like marriages. You don’t really know someone until you live with them. But knowing how your partners deal with money – what they think about it, how they handle it, what kind of relationship they have with it -- is critical to your partnership success.

Why is it that some people just can’t catch a break no matter how hard they try, whereas for others, everything they touch turns to gold? Most people believe their business success depends on their skills or knowledge or timing of the marketplace. And that’s a part of it. But a substantial, overlooked factor is their **money mindset**. These are the subconscious beliefs and attitudes about money and success that influence how we think, the decisions we make, the actions we take, and the outcomes we experience.

**Your money mindset – and your partner’s** -- informs many of the major decisions you’ll make together in business. Such as whether to hire staff, how fast to expand, whether it’s time for distributions to the partners (and if so, how much).

Listen carefully to the companion bonus podcast and complete these exercises. If you do that, you’ll be well on your way to identifying the money mindsets that can guide you to business partnership success!

## Exercise #1: Money Mindset Patterns

People generally tend to fall within FOUR main money types – or are combinations of money types. Which one(s) are you? Your partner? If a combination, what proportions of the pie?

### YOU

Money Type	Percentage	Why do you think so? (Give example)
Big Spender		
Squirrely Saver		
Puritan		
Dough Dodger (Avoider)		

### YOUR PARTNER

Money Type	Percentage	Why do you think so? (Give example)
Big Spender		
Squirrely Saver		
Puritan		
Dough Dodger (Avoider)		

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## Exercise #2: Money Mindset Origins

Our money mindsets don't just leap out from nowhere. They've been imprinted upon us from Day 1. As human beings, we learn in three ways.

We learn by **hearing**

We learn by **seeing**

We learn by **doing**

The same thing goes for our belief system. We've acquired all of our deeply-held beliefs – including beliefs about money -- by hearing them, seeing them, or experiencing them. Either they stuck . . . or we rebelled against them.

So what's Your Money Story? Give yourself 15 minutes (5 minutes for each issue) to write down:

1. Phrases you remember *hearing* in your family. Did your mother say “Money doesn't grow on trees” every time you asked for an ice cream cone? Or, did you hear “if you have to ask, you can't afford it,” any time you dreamed about something abundant for your life, like a big house, or a diamond, or a car?
2. Jot down what you remember *seeing* in your family. Did you see your parents writing out rent checks and balancing checkbook ledgers? Or did you see dunning notices from utility and credit card companies on a regular basis?
3. Jot down any emotional *experiences* that occurred. Were you teased by your schoolmates because you couldn't afford to wear anything other than your sister's hand-me-down clothes? Did your parents have to support any members of your extended family? Did you attend charity fundraising events from a young age?

Of course, if you'd like to take more time with each issue, go right ahead! The more time you spend on this journey of personal discovery, the better you'll uncover what money really means to you and the role it plays in your life. Is it about pleasure or freedom or security or status? Does it give you permission or power or obligation? Does it come with ease or is it always a struggle?

**What's your partner's story?**

## Exercise #3: Money Mindset “Fruits”

You can still learn some vital information about your partner’s money mindset, even without digging down to the roots. How? You can tell the roots from the fruits – what appears on the surface. Like gardening, a planted tomato seed will never ripen into a hydrangea bush. Pay attention. What fruits has your business partner’s money mindset generated?

### What are you hearing?

Listen to what your partner *says* and how he or she says it.

- Is he/she someone who takes responsibility or plays victim? Do they blame someone – anyone – else for their misfortune?
- Do they try to *justify* their lack of success with trite phrases like “Money’s not really that important.”
- Are they constant complainers?

### What are you seeing?

Watch for the clues to your partner’s underlying attitudes.

- Commitment: What kind of business or client base do they currently have? Have they hired a team of outside advisors, like accountants and attorneys and financial advisors/CFOs to help them build their current business?
- Comfort zone: Does your partner stay within his or her comfort zone? Is your partner taking any steps to continue to learn and grow? Or is he or she a know-it-all?

### What are you experiencing?

Take time to *do* things together so that you can encounter the money mindsets in action.

- Attend networking events together. Who do they surround themselves with? Are your partners comfortable with tooting their own horn and promoting themselves and their value?
- What are your partner’s ethics . . . and are they on par with yours? How do your partners treat their present customers and employees (if they have any)? Are your value systems in sync?

### What does this tell you?

## About *Ask The Business Lawyer*

Where can you go when you have legal questions about how to start, run, and manage your company? You can *Ask The Business Lawyer*<sup>SM</sup>.

*Ask The Business Lawyer*, a division of The Legal Edge LLC, helps entrepreneurs develop a firmer grasp – *the legal edge* -- on the legal issues that affect their companies. Imagine – saving time, money, and aggravation dealing with lawyers and legal fees! Rather than taking a “do it yourself” approach to legal work or try to turn business owners into “instant attorneys” (hey, it took us *at least* three years of full-time study to learn just the basics), we teach them how to ask the questions and spot the issues to address for their business success through our easy-to-follow guides, seminars, teleclasses, and publications, which you can find at [GreatBusinessLawResources.com](http://GreatBusinessLawResources.com).

I hope you’ve found our Money Mindset/Bonus Exercises valuable. You can now look forward to receiving our free weekly ezine, *Lex Appeal*, and reviewing the library of business law articles available through our [GreatBusinessLawTips.com](http://GreatBusinessLawTips.com) site. You’ll learn valuable tips, tools, and strategies that can **save you thousands of dollars** in botched deals and unnecessary legal fees!

Nina L. Kaufman, Esq.  
President, The Legal Edge LLC



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**THE LEGAL EDGE LLC**  
**230 PARK AVENUE . SUITE 1000**  
**NEW YORK . NEW YORK 10169**

🌐 [WWW.GREATBUSINESSLAWRESOURCES.COM](http://WWW.GREATBUSINESSLAWRESOURCES.COM)