

TOP 10 PREVENTING CONFLICTS BETWEEN ENTREPRENEURS

Startups regularly ask us the question 'As mediators, you have spoken with so many different startups, **what can we learn from the experiences of other entrepreneurs?**' Of course, the now hundreds of examples of startups helps us to see trends, detect pitfalls and to provide answers.

WHY PRE MEDIATION?

The essence of mediation is speaking openly about conflicts. The idea is that a series of conversations will help the people involved to arrive at a joint solution.

Pre-mediation is all about preventing conflicts. Pre-mediation conversations are mainly about the experiences and expectations of people who live or work together. These conversations can be useful in business relationships but also for partners in personal relationships. Whether the parties are shareholders, management teams or spouses, the key in pre-mediation is to bring their interests out into the open in order to create room for more understanding and better agreements.

Pre-mediation can be seen as a MOT test for your relationship. Conversations can be worthwhile as a way of preventing a maintenance backlog in your relationships. As the 'pre' in the word suggests, its effect is preventive. And that's also its strength: the earlier you sit down with one another around the table, the easier it is to prevent a conflict. One conversation every six months can be enough for some business or personal partners to maintain mutual understanding.

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1. **Be selective when entering a business relationship.** This has the same characteristics as a marriage. It is important to look into what you're expecting from this business marriage and whether your values match. Conflicts about interests can be resolved but conflicts about values can't. For example, if one business partner is mainly driven by 'earning money' (and exit) and the other is mainly focused on 'being meaningful', it will probably cause trouble in the long run. When the business relationship was built from a friendship, family- or love relationship, it is also an essential point of attention. There is a lot to lose in these cases when things go wrong.

2. **Check whether the equity ratio reflects the mutual relationship.** What do you expect from each other? Can a possible difference in number of shares be justified? For example, when a person has invested more money or is 'the founding father/mother' of the idea, is everyone okay with this difference? And how do you keep this topic on the agenda when, for example, the company enters another phase?
3. **Be careful with giving away shares.** You can only give them away once. It's difficult to separate when it comes to shareholders.
4. **Address issues in an early stage,** also delicate issues. Postponing to address issues can lead to conflicts because things will accumulate and might escalate.
5. **Speak about your intensions regularly** and check whether they (still) match with your business partner. What do you want, what do you expect and what are you hoping for?
6. **Check regularly whether you understand everything correctly.** Everyone has a different frame of reference and because of that also a different perception.
7. **Speak from within and about your own needs** instead of making reproaches to the other person. Unconscious unfulfilled needs are a source of conflict. If you are dissatisfied, check with yourself what kind of needs you have. What is the dissatisfaction? Need for freedom, autonomy, equality, recognition, to be taken seriously? As soon as you speak up (which sometimes requires some vulnerability), it will form a lot of possibilities to meet this need. It lies in the nature of mankind to help another person with their needs.
8. **Be aware of projection and therefore, the shadow (unconscious) aspects of your personality.** You can speak of projection when you try to deny, conceal or repress emotions of yourself by attributing them to something or someone else. It is a defense mechanism. Learn to be aware of yourself in an honest way.
9. **Set clear goals and make a division of roles.** Also if you want to create a flexible organization, it is advisable to set goals and roles. You can always adjust it when needed.
10. **Discuss exceptional circumstances even if they are not relevant yet. What if one of the partners becomes** incapable for work or dies? What is the impact on the business? How do you want to handle these kind of situations?