

## Chapter 12 Group Project Solution

Visit a business partnership in your area, and interview one or more of the partners. Obtain answers to the following questions and ask your instructor for directions. As directed by your instructor, either (a) prepare a written report of your findings, or (b) make a presentation to your class.

### ***Required***

1. Why did you organize the business as a partnership? What advantages does the partnership form of organization offer the business? What are the disadvantages of the partnership form of organization?
2. Is the business a general partnership, or is it a limited partnership?
3. Do the partners have a written partnership agreement? What does the agreement cover? Obtain a copy if possible.
4. Who manages the business? Do all partners participate in day-to-day management, or is management the responsibility of only certain partners?
5. If there is no written agreement, what is the mechanism for making key decisions?
6. Have you ever admitted a new partner? If so, when did it occur? What are the partnership's procedures for admitting a new partner?
7. Has a partner ever withdrawn from the business? If so, when? What are the partnership's procedures for settling up with a withdrawing partner?
8. If possible, learn how the partnership divides profits and losses among the partners.
9. Ask for any additional insights that the partner whom you interview can provide about the business.

### **Suggested Answer**

Student responses will depend on the answers given by the partner who is interviewed.