

Working with Others – The L-R-T Framework

“Only go into business with people you like, respect and trust.” (Warren Buffett & others)

That’s a great theory. But in the real world, we often need to do business or work with people who don’t quite measure up. How can we apply the theory in practice?

First, know what you mean by those three characteristics:

- Like – someone whose personal company and style you find congenial
- Respect – someone who is capable; he/she knows what to do and how to do it
- Trust – someone you can count on to be honest, supportive and brave, for you

Next, be realistic. Lower the bar. Settle for two out of three. But be selective....

Suppose someone qualifies well on two out of the three, but is entirely missing the third. How much should that matter to you? Here’s the table of possibilities:

Likeability	Capability	Trustworthiness	Assessment	Action
1	1	1	A joy to work with	Full steam ahead
0	1	1	Cool operator	Negotiate a deal
1	0	1	Loveable screw-up	Socialise only
1	1	0	Persuasive con	Hide your wallet

So if someone has low capability or low trustworthiness, don’t do business with them at all. Not ever. Never. They will mess up your project, betray your faith, or both.

On the other hand, it can be mutually beneficial to do business with someone you don’t personally like at all, provided they are highly capable and highly trustworthy.

What if it’s not that simple? You don’t really know this person, you haven’t had much chance to observe them, or they only score halfway in some columns. Then make an assessment based on what you do know and act on that. Update the score and change how you act when you find out more. Here’s another table to help:

Likeability	Capability	Trustworthiness	Assessment	Action
½	1	1	Can be frustrating	Relax, life’s good
1	½	1	A fine person, but not all that able	Double-check what they do
1	1	½	Seems great, but something missing	Manage the risk when it matters
½	½	1	Not the best fit, but the right sort	Value, help and develop them
½	1	½	Able person, but not my type	Create incentives and manage risk
1	½	½	Great person, but otherwise doubtful	Keep a close eye on their work
Any total score lower than 2			Why are you bothering? To succeed, you need better. Do business with someone else or find another project	

And remember, trust comes first and capability is second. Liking someone you do business with is just a bonus, that could even trip you up. So stay real about that....