



Monthly Financial Business Strategy Tips:

If you are thinking of launching a startup, or have just launched kudos to you. It's a challenging endeavor for sure. Let's begin with 3 tips to help you avoid some of the common financial mistakes entrepreneurs make when starting or in their first few years of business. Of course if your wealthy go for it but most of us start with a modest budget.

1. Cash flow management is key.

Most startups fail for a variety of reasons, but one is far more common than others -- running out of money. You need to know where every single dollar is coming from and where every single dollar is going. Be frugal in the beginning. You don't need every program or the best of everything when you start. I learned this lesson the hard way! If you don't stay on top of your cash flow, you are going to put your business in a very dangerous position. It doesn't matter how good your idea might be when you run out of money you hit a brick wall. Establish a budget and stick to it. All the bells and whistles won't do you any good if the money is gone.

2. Track and monitor all spending.

With a new startup especially, or any business there are going to be expenses coming at you from every direction. Hiring a full-time staffer to handle the books in the beginning isn't very budget friendly or probably realistic, so use accounting software to remain organized. Not only will this help with cash flow management, but it also makes it much easier when tax time rolls around every year. As you grow and the accounting becomes more complex, you will need to consider hiring a professional but do it until you can't especially in the beginning..

3. Limit your fixed expenses in the beginning

In the beginning stages of a startup, keeping your expenses low is the key to longevity. You don't need a big office or a website with very program and plug in available. Make wise choices. These things can be added later. Operate thin so you can allocate the majority of your capital to growth, which will enable you to one day implement any perk you want. Too many startups and young businesses focus on the wrong things thinking they have to compete with companies who have been doing this for years.. Uh no! Don't forget that generating revenue should be your top priority. Takes money to make money but wisely.