

## **8 Financial Tips to Help Save Money While Building Your Startup**

Starting a new business is one of life's most exciting adventures. However, in order to build a successful company you need to start turning a profit as soon as possible. In the beginning of any business, expenses are unavoidable, but you can increase your profits by minimizing these expenses as much as possible. Here are eight tips you can use to save money while building your startup company.

### **1. Be careful with perks.**

As a new business, you want to attract the best employees to your company. However, trying to offer the same perks as a [venture capital](#) can put you in debt quickly. Many successful businesses started in a garage, and there is no shame in keeping things simple at first. Once you've made it, you can start thinking about adding cappuccino machines, ping pong tables, and other perks to your office environment.

### **2. Use free software programs.**

As you begin building your new business, resist the urge to invest in the latest, most expensive software programs. Instead, look for inexpensive software programs, or find programs that offer a lengthy free trial period. For example, instead of investing in Microsoft Office, you may consider using the free software programs offered by Google or [Trello](#).

### **3. Make the most of your credit cards.**

If you already have credit cards, make sure you are getting the most out of any perks they offer, such as frequent flyer miles or cash back. If you are planning to apply for a business credit card, research your options carefully, and choose the card that will give you the best benefits.

### **4. Hire interns from local colleges.**

Instead of looking to the open market to find all of your employees, consider hiring interns from a local college instead. These individuals work for much less than a seasoned professional would, and they are often eager to prove themselves in the workplace.

### **5. Barter for services.**

As you work to grow your business, you may need a variety of services from independent contractors or other companies. Instead of offering to pay cash for the services you receive, try to offer a different type of benefit that won't impact your bottom line as much. For example, you may offer some of your own products or services, or you may allow the other party to collect a small amount of the profits you earn because of their services.

### **6. Minimize your personal expenses.**

Because you will likely be investing a lot of your own money into your startup, you can increase profitability by reducing your personal expenses. Be careful about how you spend money, especially when you start bringing in revenue. Avoid making large purchases, such as a new house or car, unless they are absolutely necessary. Consider working with your accountant to keep track of all of your expenses so you can identify opportunities to cut back.

### **7. Outsource some of your projects.**

To save more money while your business is getting off the ground, consider outsourcing some of your smaller projects, such as building or updating your website. Outsourcing one-time projects to independent contractors or consulting companies can be much more cost-effective than trying to hire a full-time employee to handle the job.

### **8. Use LinkedIn for recruitment.**

Recruiting new employees can be expensive, especially if you are determined to find the best people. To cut down on these costs, consider using LinkedIn to recruit new people for your startup. Although you will have to do some of the legwork, you won't spend as much as you would with other recruiting strategies.

Regardless of the steps you take to save money as your business grows, you will still need to manage your funds carefully to ensure that your financial situation is improving over time. A professional accountant can help you set up a realistic budget and cash flow forecast to keep you on the right track. Contact our office today to learn more.