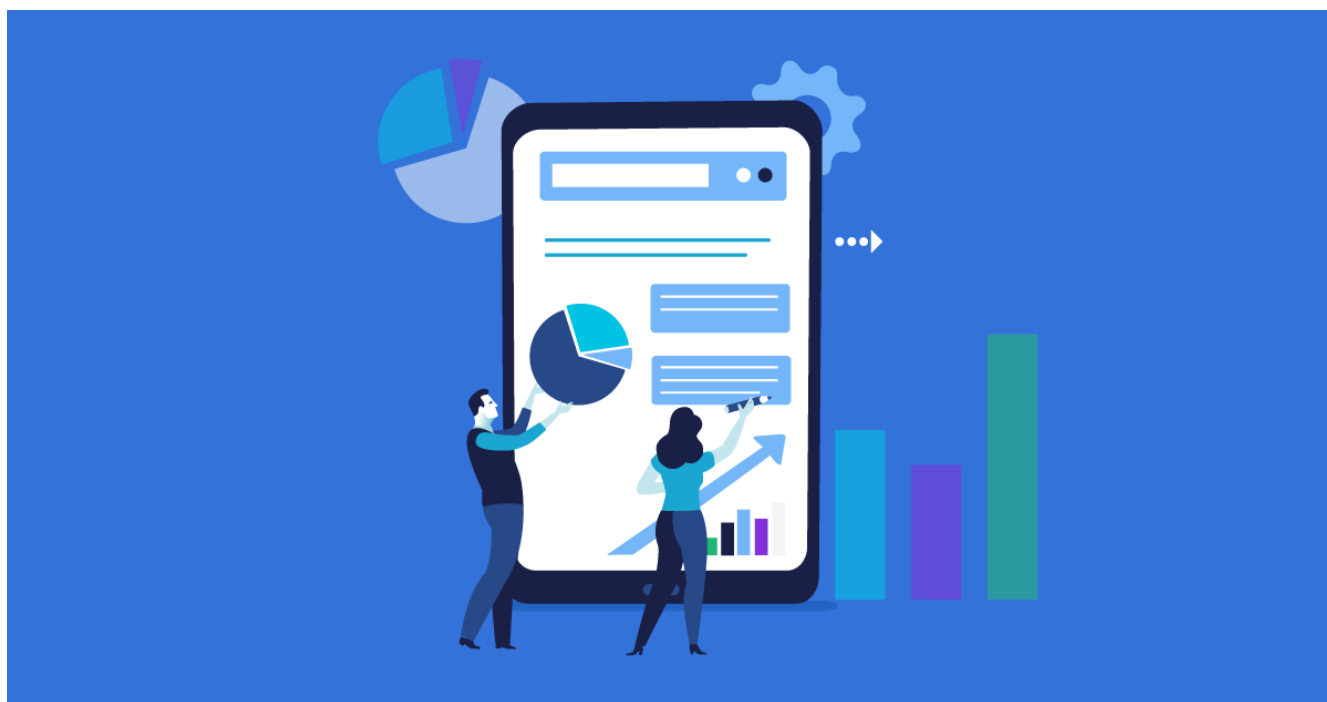


Bootstrapping a Business to Fabricate a Debt Free Company: Steps to Take



Guest writer of this post is Marlon Powell who writes on finance related matters such as debt consolidation, settlement and other aspects of handling debts to keep you debt free.

Lines of credit, business loans, venture capital and personal loans all exist for those business organizations that need to purchase equipment and inventory, and also grow and expand their services. It is most commonly seen that much of the initial growth of a business firm is basically funded on borrowed money but such steps can cost you dearly in the long run. However, with the present debt situation in the US, a large number of businesses suddenly began to move away from incurring business debt, either by their own choice or by circumstances. The tightening of credit standards and the general skittishness among the investors has recently made bootstrapping a business the most viable option. But running a business debt free and growing it in such a manner has some downsides too. Read on to know more on it.

Starting from Scratch - Bootstrapping Your Business

Well, big business tycoons are also of the opinion that starting a business firm without borrowing money can often become a challenging task. The only thing that the business owner should come to terms with is that he has to start off small and allot a longer time to reach his desired goals in the long run. Though you may see your competitors gaining market-share and flourishing with increased business revenue, you must remain slow with your business plan. As you have to maintain this debt free strategy throughout, you must not get demotivated by seeing the success of your competitors. You have to be financially diligent and dedicated in order to run a debt free business.

Steps to Take in Order to Start Off with a Business without Running into Debt

You can sense brewing financial trouble when your business revenue is not more than the investment that you made. If you want to make money from your business without incurring too much debt, you must be sure about the financial decisions that you take. Here are some of them.

- **Hire a book keeper:** If you've thought of managing every spick and span of your company alone, then you'll be more prone to making mistakes. Accounting or book keeping is the most important part of your business and you must hire a professional who has an expertise in doing such jobs so that you can attain perfection.
- **Follow a commercial budget:** There's no substitute of following a commercial budget. Just as a consumer needs to follow a budget in order to keep his finances on track, so does a business firm. Track your pennies so that your hard-earned dollars don't run into water for your carelessness.
- **Save money on marketing:** When it comes to spreading the word about your product, you can leverage some DIY methods like networking and social media marketing as this will enable you to save your bucks. You can promote your products through a blog or even through social networks like Twitter and Facebook.

As a business building strategy, bootstrapping will become a success in any kind of economic climate. Don't be a budding entrepreneur who gets lured by credit, overextends his budget and then falls into debt. Harbor a solid business plan so that you can run a debt free business and boost your revenue at the same time.