

Starting a business: Avoid these 8 mistakes by all means

First-time founders often make their business successful by their powerful and innovative ideas. They wanted to pursue their passion at any cost. But sometimes they may not be aware of the dangers they are going to face. Here are the 8 mistakes the entrepreneurs must avoid while starting the business for the first time.

- **Underestimating market risks**

Ignoring the market risk is one of the major reasons why most startups fail. Most businesses put their maximum attention towards making their business technology perfect. It is understood that the business must be aligned with technology.

But along with it, new founders must keep in mind the current market trends. The market scenario plays the most significant role to determine how far your business will go.

Markets fluctuate constantly and the prices of almost every product rise often. Hence, startup founders must not only focus on their IT solutions but also on market trends. A business doesn't fail because of any missing component in its IT infrastructure but because of the market changes which it doesn't pay attention to.

- **Listening to the wrong advice**

Take advice only from the right people before starting your first business. Don't enter the business field just because your friend advises you or someone tells you to start a business. Unless your startup is your interest which you want to whole-heartedly pursue, your business will not last long. Also, while taking advice, consider its source and respond accordingly.

- **Ignoring Feedback**

Most successful startups are the ones that take the feedback of the potential customers and investors seriously. If your venture capitalists or financial officers give you some warning or suggestions when you discuss your business plan with them, don't ignore their feedback and work on the strategies your startup lacks.

Before introducing your product on a large scale, roll out to the ones who can make a fair judgment about it like your friends and your relatives. Take their constant feedback to ensure whether they are satisfied with your services or not. Maximize your learning of what is most beneficial to the customer.

- **Entering the competition too quickly**

One of the biggest mistakes the first-time founders make is to go-first and go-fast. It is appreciable that you are ambitious to convert your newly established startup into a successful business, but you must first save capital until your business understands what the customer really needs.

Direct the business strategies towards your customer. Take the steps one at a time and instead of going straight to Z in business, remember to cover the A, B, and C (s) of your business.

Also, make sure you celebrate the minor achievements and reward your team members along the way.

- **Hiring the wrong people**

Hiring the right people is the crucial step in any business. While you can't completely avoid applicants from entering your startup, you can stop hiring them by following these steps :-

Look for a progressive professional

Every new member in your startup team will affect the company's infrastructure. He can affect its work quantity, product development, business ethics, and code of conduct. Any mismatch can lead to your startup's downfall. Hiring the right candidate will not only elevate your startup productivity but will also maintain the team's enthusiasm.

Look for the candidate who is sincere and truthful to you. When you are asking why he wants to join the startup, ask him to be honest.

Make judgment based on their skills

Always hire the employee who has the right skills suited for your startup and can fit into the company's natural activities. These skill sets may differ based on your startup's requirements.

Prepare the interview questions

Prepare a well-structured interview for recruiting the right candidates. Create an evaluation system which can compare the performance level of the candidates and rank the candidates.

Understand the importance of hiring the right candidate as single wrong hiring can impact the productivity level of the whole team.

- **Focusing too much on minor details**

A businessman needs to know what his team is doing and ask for regular updates. However, there is a slight difference between being authoritative and becoming a dictator who interferes very much in the way they work. Whenever you give any task to your management team, leave it to them to get that task done.

Don't interfere often and allow them to put their 100%. The more you will trust them, the more they will respect you and will take as an obligation to complete the task.

- **Not concentrating on Return on Investment (ROI) and sales**

If you don't focus on the product/service sales, you will not be able to know the return on investment and sales. Every sale encourages the team to work further thereby achieving the desired productivity.

- **Not having Customer Engagement**

In any business, the employees (internal customers) and the buyers (external customers) play the most important role. Every business must interact timely with its employees and its audience whether it is a newly established startup or a successful established business. These regular interactions will let you know if your business is doing well or not. You can easily identify the changes that need to be made.

The startup founders who don't listen to their customers, their business falls immediately because customers are the primary focus of any business. If you won't provide them what they need, they have other options but you don't.

It is easy to take up a startup idea and invest in it but to stay longer and apart from the crowd that is operating makes a difference. If you want to make the most from your startup in future, you must avoid these mistakes by all means.