**4 fundamentals every small business should practice**

Globally, statistics show that over 80% of small businesses collapse within their first year of operation. These promising businesses do not collapse because their owners lack the will or the capital required to move them forward, it’s because of the owner’s inability to understand the fundamentals of starting and growing an enterprise. Understanding how to manage a business in its infant stages makes all the difference between a failed start up and a thriving major industry player a few years down the line.

**Here are four important fundamentals for small businesses to follow if they want to succeed.**

The first and most critical business tip is **consistency.** Most people start a business, and if they do not gain customers as expected, give up and close down. For a small business to survive, it is essential for the owner to hold on, no matter how tough it seems. With time, people get used to having your business around, and as such, develop interest in whatever product you have to offer.

The second most critical small business tip is **customer relations.** As compared to large organizations, a small business (to a large extent) is at the mercy of its few clients. This means that, any wrong move can turn clients away, and could mean death to the business. A small business owner should always ensure that customers are ever satisfied and happy with the services offered. Due to the direct connection that prevails between business owners and its clients, it is imperative to leave your personal emotions out of the business.

Third in line on small business tips that makes a difference between failure and success is, **cost management.** By virtue of being a small player, it is hard to source for affordable and consistent suppliers. This could lead to fluctuations in the quality of products that a business has to offer to its clients. The best tactic is to shop around for reliable suppliers, way before the business kicks off. Once the business is up and running, the owner should try as much as possible to maintain cordial relations. That way, as the business grows, they can easily avail credit lines which are critical if the business has to expand.

And lastly, proper **cash flow** **management** is a very essential tip. More often than not, small businesses collapse not because of low client levels, but because of the owners’ misuse of the cash he/she receives. When cash comes in, many tend to use it for personal reasons and in the end, find it hard to replenish whatever amount they took. As a small business person with a vision, try as much as possible to separate cash for personal uses with that meant for the business. This way, your business will have sufficient liquidity to take care of eventualities as well as capitalize on emerging opportunities.

There are hundreds of tips on how to run a small business but with these four, your business can pass the infancy test and grow to the next level where professional management comes in. Please adhere to these tips and you will surely be able to taste your first business success!