

## I am thinking of starting up, should I?

It's great you are thinking of starting up. Some things you could consider before this move:

1. **Your current risk appetite** - Do you feel you could take such a risk at this point in your career?
2. **Your bank balance** - If you are putting in your savings to start up initially or bootstrap, there should be a way to cover your basic living expenses.
3. **Support system** - When you startup, you will need support. Not just 'emotional support', but financial support at times too. Important to have or build a support system as you go along.
4. **Connections** - Always helps to be part of startup communities, groups or clubs. Having a close network who can bring an external perspective is important.
5. **Mindset shift** - You may need to become the driver, the cleaner, the customer support agent, the firefighter or any role that the situation demands from time to time. Are you comfortable playing those roles no matter what the situation is OR do you think you would like to stick to only limited roles?

## What kind of people challenges am I likely to face when I startup?

The work ethics and professionalism differs from country to country. However, some of the common challenges faced are:

1. **Hiring** : Convincing people to join a startup is risky. The amount of selling and convincing needed to make people join your startup is the same as convincing a buyer to purchase your product / services. This is typically the case with a bootstrapped company. If you are well funded, this challenge can be relatively easier to overcome by offering market level salaries.
2. **Attrition** : Many people will come and go. That's the nature of the startup space. Some will stick around if they truly believe in your mission and vision, others would just be looking for a paycheck, similar to any other job. As the founder, you will need a balance of all kinds of people.
3. **Job role clarity**: In a startup, having a narrow focus regarding the specified job responsibilities might not be the best approach. Even though you will need people assigned for specific tasks, you also need people to punch above their defined roles at times. This can be particularly hard for some employees.
4. **Training** : If you are bootstrapped and small, and you are a hands-on founder, you will take up the bulk of training your employees. In a way this is good, because you can expect to see the work output as you deem fit. This is particularly applicable if the person being hired has no specific skill but is willing to learn.
5. **Retention** : This is always the hardest part. Some employees will be motivated by remuneration, some by challenges, some by flexibility, some by independence at work. As a founder, figuring out what motivates your employees is important and not having the same strategy for all. Money is a motivator, by default, for the majority.

## What is product market fit?

In very simple terms, product market fit has been achieved when there is a demand for the product repeatedly.

## How do I decide between bootstrapping throughout and raising funds?

At the start, initially, to set up a few things in place you will need a source of funds -whether that can come from your savings or any other source, you may decide that. Administrative things such as registering a company, setting up a website and some basic things. Generally speaking, raising external funding is also not easy and typically can be eyed only when your business reaches a certain threshold. That threshold can vary from company to company and industry to industry. The decision to continue with bootstrapping or raising funds must be evaluated by a proper financial lens and if need be, take the right guidance from relevant people.

## What are the basic things needed to start a business?

- A website showcasing your products/ services.
- Social media handles
- Company registration
- Tax registration as applicable
- Depending on the nature of your business, whether an external space is needed or not
- Rental agreement
- Any relevant licences to operate your business

## Who are the people to hire or engage at the start of your business?

Even if you cannot hire the people at the start, do figure out some form of engagement with the below people.

- **A chartered accountant** to help with company formation, understanding necessary taxes, any grants etc.
- **Social media marketing, website freelancer**
- **Sales** (assuming your product/ service is kind of ready)
- **A co-founder/s** if you don't wish to be a solo founder

## How do you resolve co-founder conflict?

Some founders implement a co-founders agreement to help set the expectations of the working arrangement. As with any conflict, it's important to understand the reasons for the conflict and have an open communication about it. Co-founder conflict can affect the business, so best to be sure and agree with the way of working.

## What are the major challenges in running a startup?

Depending on your type of business, there are various categories of challenges.

**People challenges** : Hiring, training, retention & attrition, salaries

**Culture** : Building a culture and ensuring perpetuity

**Business related** : sales, building a pipeline, costs, revenue

**Financial** : predictability of cash flow

**Admin** : Rentals, paperwork, systems

**Competition** : how to stay differentiated in the market?

**Uncertainty** : Imagine a COVID like situation

Obviously, not all risks can be mitigated and some will remain, no matter what.

As an entrepreneur, you just need to be in a risk mitigation mode while thinking about the challenges.

**I have never done sales before. How will I manage?**

You may feel like you can't do sales or you may feel that you are an introvert and can't do sales. Entrepreneurship will definitely push you to challenge your beliefs and limits! So don't be bound by limits - just go ahead and try it.

I would advise not to think of sales as a "function". Sales will become your underlying need not just for growing the business, but for everything else too. Want to hire someone? You will have to sell the vision about what you are building. Want to convince a vendor to do business with you? Again - you gotta sell! Want to convince your first customer ? sell!

Sales is hard and you may fail miserably at the start, but eventually you will learn.

**What sites or sources of information would you recommend following, to know what's happening in the start-up space?**

Y combinator is strongly recommended <https://www.ycombinator.com/>

Techcrunch <https://techcrunch.com/latest/>

Depending on your current location, check relevant sources from LinkedIn as well.