**Negative and Positive sides of ways to start the business:**

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| --- | --- | --- | --- |
| **Person:** | **Way:** | **Positive:** | **Negative:** |
| Denys | Banks | 1. Access to capital. 2. Expert support and guidance. 3. Building credit history. Opportunity to build. 4. long-term relationships. | 1. Stringent lending criteria. 2. High interest rates and fees. 3. Requirement of collateral and risk to personal assets. 4. Limited flexibility in terms and process. 5. Lengthy loan application process. |
| Daria | Crowdfunding | Access to Capital Market Validation Feedback and Engagement Check of the “quality” and “interest”  Marketing and Exposure | High Competition Fees & Costs Lack of control Everything-or-nothing model: either you achieve “personal goal” of the campaign or lose time and resources Public is not the best investor for some products (easier and better to find investors) |
| Vadym | Personal (family & friends) | Fast type of getting money,  You don’t need to provide some info about potential business,  if no documents were assigned, you may return money as long as possible,  As there are fewer questions, you may try some stupid business idea | You have to return the money,  May have no friends/family after this deal,  If your business becomes bankrupt, you still have to return money |
| Diana | Investors | Additional Capital  Increase in value  Advice and Experience  Accelerated Growth | Loss of Control  Uncertainty  Difficulties in attracting investors  Market Dependence |

Angel Investors,

Small Business Grants,

Business Incubators and Accelerators,

Bootstrapping

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| --- | --- | --- | --- |
| **Person:** | **Way:** | **Positive:** | **Negative:** |
| Daria | Angel Investors | Experience of an investor  Opportunities to growth and networking  Flexible Financing  Larger Investments  Long-term commitment | Loss of control and rights for the business  High expectations  Risk of conflict  Limited Liability  Limited Expertise |
| Diana | Small Business Grants | Financial support.  Reduction of own investment.  Increase in reputation (Recognition).  Improve the reputation of the business.  Support from experts. | Competition  Risk of Loss  Limitation  Limited amount of funding  Requirements |
| Vadym | Business Incubators and Accelerators | Support on each step  Any type of business incubator/accelerator  Professionals in your sphere will help you  Learning, actually they have kind a school / good materials for learning  Help connect businesses with resources | Take a stake in business  Doesn’t help any type of business |
| Denys | Bootstrapping | 1. Independence in decision-making. 2. Opportunity for personal learning and growth. 3. Reduced financial risk and debt. 4. Stimulates creativity and innovative problem-solving. | 1. Limits growth potential. 2. Resource constraints for problem-solving. 3. Delays in project initiation or business expansion. 4. Increased stress and responsibility on the business owner. |