

Title:

To Successfully Obtain Business Capital Every Business Needs A Coach

Word Count:

561

Summary:

If you are a business owner the task of obtaining business capital can be very daunting. Most businesses fail because they have never been taught how to obtain financing and therefore they have no clue where to begin. The Small Business Administration reports that 97% of business loan applications fail.

The importance of seeking expert assistance when setting up business credit has many business owners turning to a business finance coach to help them establish their business...

Keywords:

business loans, business finance, business funding, business capital, venture capital

Article Body:

If you are a business owner the task of obtaining business capital can be very daunting. Most businesses fail because they have never been taught how to obtain financing and therefore they have no clue where to begin. The Small Business Administration reports that 97% of business loan applications fail.

The importance of seeking expert assistance when setting up business credit has many business owners turning to a business finance coach to help them establish their business credit. One of the biggest mistakes made by business owners is that they attempt to obtain business financing using their personal credit. You should never use your social security number to obtain business financing. Personal credit has to be separated from your business credit.

Until your business has three separate business credit scores, any financing that your business receives will be based solely on your personal credit scores and your personal assets. A good example of this would be if you wanted to buy a home, but you had no personal credit scores. You would get declined, and funding a business is no different. You need to have business credit scores established to even get looked at for a business loan. Having business credit scores established are just a start in the finance process. There are 20 other items that must be in place before you apply for business loans.

"Missing just one of the 20 items will get your business denied," says Finance Specialist James Christy. "If you follow the steps in a good business finance coach you will make sure that you have all of the items completed."

For example, Lenders will deny a business loan application if the business legal name is not listed properly with the 411 Directory Assistance. Another way financing can be denied is if your business has a bank rating below a low 5 or if your business doesn't have credit files open with the three business credit reporting agencies. Most lenders now require businesses to have three good credit scores. These are only a few of the items that must all be in place first before seeking approval for funding.

The process of establishing business credit is much more complicated than setting up personal credit. There is one business credit agency that will try to charge you \$500 just to open your credit file. You do not have to pay it, and a good business finance coach will show you why you don't have to pay it. A good finance coach will set you up with all three reporting credit agencies as well.

A business finance coach instructs business owners in a step-by-step format on exactly what they must do to get their business ready to be approved for financing and how and why to build the business credit scores they need to get approved. A coach will show a business how to not only build business credit, but to build good business credit that the banks and other lending agencies will use to approve your loan request. A good finance coach will typically direct you to sources for business credit cards, vendor lines of credit and for other creative forms of financing.

To find a business finance coach to help your business build excellent business credit scores you might go to your favorite search engine Google, Yahoo, or MSN and do a search for the phrase "business finance coach".