MINTED MINDSET

Financial Mistakes to Avoid in Business

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When women business owners run into challenges with funding, it is often not because their idea or business is not strong enough, but because they are making common mistakes that can be avoided.

One frequent issue that I see is not being prepared. Women juggle a lot - business, family, community, and other things. Bookkeeping can fall to the bottom of the list. Having outdated financials, unclear cash flow, or mixing personal and business finances can raise red flags. Even a healthy business can look risky if the numbers are not clear or confidently explained. Loans can be declined due to shoddy and unreliable financials.

There is also a tendency to ask for funding based on a gut feeling instead of a firm plan.

Sometimes the amount requested is a round number that feels right but is not tied to a specific goal. As the business owner, you should know the amount you need and apply for that specific amount. Also, being vague about how the money will be used can work against you. Funders want to see specifically how the funds will be used. Some banks also want to see specific dollar amounts for the use of funds and those uses need to make sense for that type of business. Getting assistance from organizations that help with business plans can help prevent both mistakes.