



The Top Priorities of Every New Startup Founder

by Dennis Hammer

Startup founders have a lot to focus on. Once you get that first customer or accept your first investment, it seems like everything is a priority. Every challenge distracts you from the other challenges. Every problem should have been resolved yesterday.

However, some challenges are more important than others. Some deserve your attention at the expense of other things.

These are the top five priorities of every new startup founder. Focus on these key areas to grow a successful company.

1. Cash Reserves
2. Your MVP
3. Sales/Customers

4. Your Culture
5. Meeting People

1. Cash Reserves

When you started building your product, you probably didn't expect to think about money as much as you do, but that's the life of a founder. Money will worry you more than *anything* else as you build your company.

It's important to understand your cash situation *at all times*. Don't avoid checking your accounts because it makes you anxious. [Plot your runway](#) carefully and adjust it when needed.

If your cash reserve starts to dry up, you've really only got three options: 1) Start charging for your product (or charge more than you do now), 2) find investors, or 3) scale back or pause your startup while you work another job.

Option 3 feels like defeat, so leave it as a last resort. Options 1 and 2 will depend on your long-term plans and whether you're [focused on profitability or growth](#) right now.

Keep in mind that if you play the CEO role in your startup, fundraising will be a major part of your life until you file for IPO. For most startups, that means self-financing through sales (more on this in a minute).

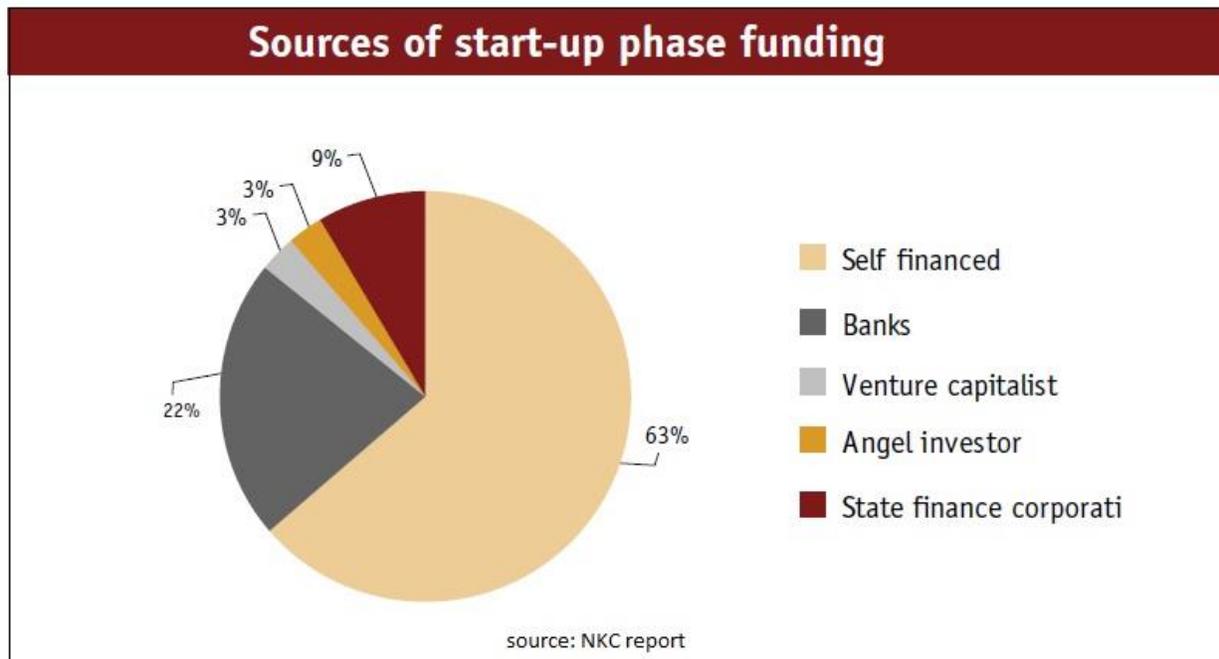


Image: techaloo.com

You'll should always be taking steps to secure investment, even if that just means attending startup or industry conferences or having lunches with VCs. Talk to as many investors as possible long before you're ready to actively fundraise so you know exactly what they want (and [read this post about what most VCs want to see](#)).

2. Your MVP

If you haven't built your [minimum viable product](#) (MVP) yet, that's your second concern. Without a product, your startup is just an idea. Investors and customers don't care about ideas.

(Okay, that's not *entirely* true. Some people will give you funding if you have an idea, and some customers will pre-buy, but for the most part you need something tangible to show them.)

The purpose of your MVP is to validate your concept and start collecting feedback. You don't need a full suite of features. It doesn't need to be available on all platforms or ready for all types of customers.

Your MVP should be *minimum*, but still valuable. That means it should serve at least one specific audience, address at least one key problem, have a well-designed user experience, and be easy to build and launch.

Shawn Crowley, software developer and managing partner of a development agency, [says building more than your minimum product too quickly](#) is key to building an end-product people actually want to buy.

"Overbuilding doesn't guarantee we'll have a great product that customers want, and it only delays potential failure rather than assessing and combatting it," he say. "Starting with an MVP, even when it goes against our instincts, will actually improve a product's chance of success."

Once you have an MVP, a whole new world of information and learning opens up. You can share it with other founders, VCs (even if it's too early to invest), developers, marketers, and of course, potential customers. These people can give you invaluable feedback to help you iterate and get through the [build-measure-learn loop](#).



Image: theleanstartup.com

In the startup world, learning is a *currency*. You earn it through iteration and measurement, then spend it on the next version of your product and service.

3. Customers/Sales

Neglecting sales is a common mistake of first-time startup founders. They assume customers will flock to them if they just build a great product.

Why do founders neglect sales? Partially because many founders come from engineering backgrounds and prefer to prioritize building, and partially because selling is hard.

This may sound obvious, but it's a truism you should understand: "Companies that can acquire and retain customers have a measurably increased likelihood of success," [says serial startup founder Troy Henikoff](#).

In fact, without any customers your startup isn't really a business at all. It's just a product.

Sales isn't something you can worry about later. It should be a part of your startup's *foundation*. You should intertwine sales with everything – your marketing strategy, your funding strategy, and even your product development.

In the beginning, it's up to the founders to sell. You may not be comfortable selling, but, well, you'll have to do a lot of things that make you uncomfortable as you build your business.

You understand the company better than anyone else (where it's been, what it's doing, and where it's going), so you're best equipped to [build a sales process and sell](#).

4. Your Culture

Even if you're a one-man show right now, it's not too early to think about your culture.

Your culture impacts the entire human side of your company. It influences [who you hire](#), how you lead your team, who you sell your customers to, and the day-to-day functions of your company.

What do you value? What kind of company do you want to lead? How will your business affect or change your industry? What do you want other people to say about your company when you're worth a billion dollars? These questions will help you [define your brand and culture](#).

"Hire slow, fire fast," they say. Every founder should understand that. A new hire has an *enormous* potential to boost or disrupt your culture, especially when your team is small and everyone interacts with everyone else.

Take your time on interviews and hiring as you build your team. But if someone turns toxic, cut them loose *immediately*. Don't tolerate any employee who doesn't appreciate your values.

Think of culture like another opportunity to create a competitive advantage. If you build a healthy, sustainable culture that incentivizes great work and work/life balance, you'll attract talented and dedicated people.

5. Meeting People

If your cash situation is stable and predictable, your MVP is ready, you're actively selling to customers, and you're comfortable with your culture, your final priority is to meet new people in the startup community.

"Professional networking, both online and in person, is a necessary ongoing strategy for startup entrepreneurs," [says serial entrepreneur Jose Vasquez](#). "While every business is unique and has different needs, building the business through networking is always a beneficial plan."

Why should you actively meet new people?

- **You'll grow your team.** Eventually you'll need talent from *outside* of your personal circle.
- **You'll discover customers.** Customers won't always come to you. In the beginning, you'll have to chase them.
- **You'll meet investors.** Meeting the right investor can solve *a lot* of your challenges.
- **You'll develop partnerships.** You'll meet other businesses that might work with you for mutual benefit.
- **You'll gain exposure.** Every person you speak to could potentially tell more people about your startup. So even when you're in a one-on-one conversation, you're talking to more than one person.
- **You'll gain feedback.** Sometimes it helps just to have experienced people (who know startups) tell you what they think about your product, your company, and your plan.

Like anything else, you can turn meeting new people into an actionable strategy. Put together a list of your contacts and look for gaps. No VCs on your list? Attend conferences. No engineers? Join coworking groups or work in busy coffee shops. No mentors? [Join a startup community](#).

As you meet new people, don't shamelessly promote your startup. Don't dismiss people because you don't see any immediate benefits in the relationship.

Instead, be a value-adding person. Offer your own insight and advice without expecting repayment. This will make people associate you (and by extension, your startup and product) as a solution provider.

Prioritize, But Don't Neglect

We've laid out your main priorities, but they aren't the *only* tasks on your to-do list. As the founder of your startup, you obviously wear many hats. At the end of the day, *everything* is your responsibility, so don't neglect things that fall outside of these priorities.