The 10 Most Reliable Ways to Fund a Startup



Every funding decision is a complex tradeoff between near-term and longer-term costs and paybacks, as well as overall ownership and control.

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One of the most frequent questions I get as a mentor to entrepreneurs is, “How do I find the money to start my business?” I always answer that there isn’t any magic, and contrary to popular myth, nobody is waiting in the wings to throw money at you just because you have a new and exciting business idea.

On the other hand, there are many additional creative options available for starting a business that you might not find when

buying a car, home or other major consumer item. If you have the urge to be an entrepreneur, I encourage you to think seriously about each of these, before you zero in on one or two, and get totally discouraged if those don’t work for you.

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Of course, every alternative has advantages and disadvantages, so any given one may not be available or attractive to you. For example, professional investors put great priority on your previous experience in building a business, and they expect to own a portion of the business equity and control for the funds they do provide. These are tough for a first-time entrepreneur.

Thus it is always a question of what you qualify for, and what you are willing to give up, to turn your dream idea into a viable business. Click through the slides to read my list of the 10 most common sources of funding today, in reverse priority sequence, with some rules of thumb to channel your focus:

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