**How to protect your company from the pitfalls of a startup**

Running a company requires hard work and the stamina to face the bumps ahead. The growing competition, ever-changing market demands, and presence in the marketplace are just a few of the many challenges that entrepreneurs face at full length.

If you are a [startup](https://decisivezone.ae/pro-services/) company, there is always a phase of trial and error. At this stage, learning from your own mistakes and of others is pivotal to your growth as it is an opportunity to discover a more effective business approach. It allows you to change your perspective and have a deep awareness of what your business needs to thrive.

However, without the right strategy or external support, anything can go astray. So, to protect your company from the common startup pitfalls, we have compiled some helpful tips from the experts at [Decisive Zone](https://decisivezone.ae/).

1. **Research and plan ahead**

The root of failed startups is sometimes the lack of research and appropriate planning. No business is ever successful without going through the labour of comprehensive planning—from building your business model to formulating your business strategies and key delivery measures. Researching and planning are interminable phases of every business to stay up-to-date with the industry and consistently find solutions to meet the market demands. As a startup, you may want to consider allotting more time or even months to research and plan your next best move to avoid a failed execution.

1. **Understand your market**

There is a big difference between knowing the industry and understanding the market. You may probably be adept about a particular industry, but failing to understand and identify the market of your business will cause a major roadblock to your success. Your market is where you capitalise your expertise in the industry by aligning your business strategies, so your products and services can reach the right target market. Always have a clear picture of who your market is and only then can you veer away from the pitfall of failed product-market fit.

1. **Have enough funding to run the business**

Some entrepreneurs don’t realise the importance of a stable and proper funding to keep the business afloat. Hence, startups fail and end up losing more money than gaining returns. So before you even get started, and assuming that your company has yet to reach the financial stability it hopes to achieve to operate long-term, there must be enough funds in your bank to sustain it for at least the first two years. It is also vital to keep your cash flow in check faithfully. In this way, your startup will survive at least until the business starts making real, steady profits.

1. **Know the law**

It is your first responsibility as an entrepreneur to know the governing laws of owning a business in the UAE and be well acquainted with the business rules and regulations to ward off possible legal implications. Failing to do so may result in severe violations, and you may find yourself incurring penalties before you know it. The only way to protect your company from a legal pitfall is to educate yourself and stay on track with government updates regularly.

1. **Always consult the expert**

No company has survived without seeking advice or help from others. Even at the beginning of your business journey, consulting an expert is the only way to achieve a successful headstart. It begins at the period of [business setup](https://decisivezone.ae/company-setup/) where a company formation firm like Decisive Zone will act as your partner during the incorporation process. The business setup consultants will help you navigate the many facets of setting up a business in the UAE. From ensuring that you meet all the government requirements for a successful company formation to providing you with professional startup advice, so you can grow in the competitive UAE marketplace.