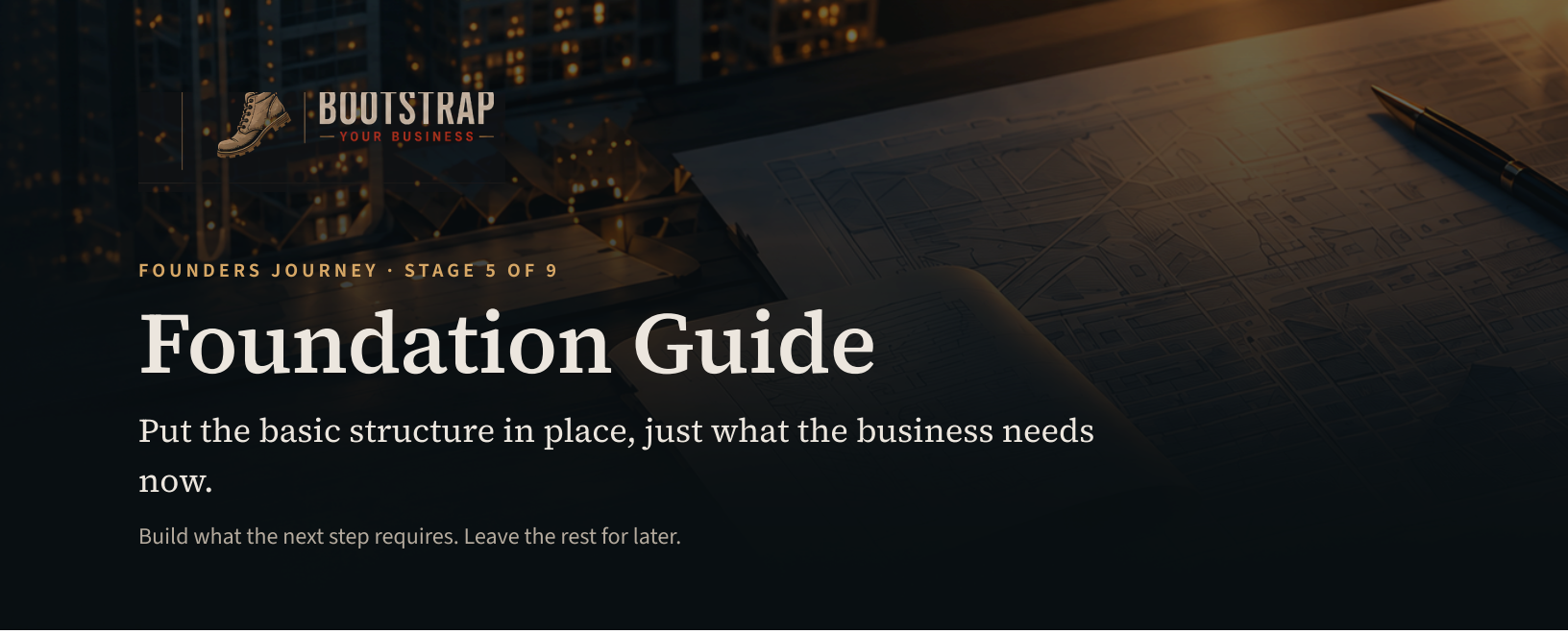


BOOTSTRAP
— YOUR BUSINESS —

FOUNDERS JOURNEY · STAGE 5 OF 9

Foundation Guide

Put the basic structure in place, just what the business needs now.

Build what the next step requires. Leave the rest for later.

Foundation is where a promising business becomes able to operate in the real world. The goal isn't a perfect company setup. It's putting the essential legal, money, and risk basics in place for the kind of business you're actually starting.

WHAT MATTERS NOW	YOUR FIRST STEP	WHAT COMES NEXT
The least structure you need to operate, get paid, keep records, meet obligations, and avoid needless risk.	Find the one setup item that must be handled before your next real customer or sale.	First Customers: earning real customer commitments and delivering well.

WHAT YOU'LL HAVE BY THE END

- A short list of what your business actually needs set up now.
- The legal, money, record-keeping, payment, insurance, and agreement questions that apply to you.
- A sensible order for handling them before you serve or charge customers.
- Confidence about what can safely wait, instead of building an oversized back office.

01 Make the business real

Find the least structure needed for the business you're actually running.

Foundation isn't paperwork for its own sake. The right setup helps you take money, meet your obligations, keep clean records, set expectations, and avoid needless risk. The wrong setup is a pile of early systems that cost time and money without helping the next real customer.

FOUR AREAS TO CHECK

Business status	The business type, registrations, licenses, permits, and tax setup your work and location require.
Money	How business income and spending stay separate, get received, get recorded, and get reviewed.
Agreements	What customers may need in writing: what you'll do, price, timing, who does what, and cancellations.
Risk	Insurance, safety, data, or professional protections you may need before work begins.

> **The core idea**
> Build the smallest responsible setup for the business you have now. Add more when real work makes it necessary.

02 Set up only what's required

Separate what you truly need now from what can wait.

Some businesses need several formal steps before the first sale. Others need very little. It depends on the type of business, where you are, your industry, and your customers, so start from the actual work you plan to do.

QUESTIONS THAT HELP YOU DECIDE WHAT COMES FIRST

- What must legally or by contract be in place before I can do the work or take payment?
- What do I need so business money and records don't get mixed up with mine?
- What could cause real money, safety, customer, privacy, or professional trouble if I ignore it?
- What does my next customer reasonably need from me before they can say yes?
- Which setup items exist only because I imagine needing them someday?

A PRACTICAL ORDER

1. Required	Legal, licensing, tax, safety, insurance, or contract items that must exist before you operate.
2. Money	A clean way to get paid, keep business money separate, and keep usable records.
3. Customer	What you'll do, price, timing, and who's responsible for what, in writing where it makes sense.
4. Delivery	Making sure you can actually do the promised work consistently and safely.
5. Later	Systems, policies, and tools your current work doesn't justify yet.

Get qualified help when the stakes call for it

A guide can help you find the right question. It can't replace legal, tax, accounting, insurance, or licensing advice for your location when those issues apply.

03 Choose your first step

Handle the one item that most affects your ability to operate responsibly.

Don't try to finish every task at once. Pick the item that's legally required, important for money, customer-facing, or needed for your next sale. Finish that, then look again at what matters next.

GOOD FIRST STEPS CAN BE

- Checking the registration, license, or permit that applies to the work you'll do.
- Setting up a clean way to receive and record business income and spending.
- Writing a simple one-page agreement for what you'll do and how you'll be paid.
- Finding out whether you need insurance before work begins.
- Choosing a simple record-keeping habit you can keep up from the first sale.
- Asking a qualified professional one specific question that's blocking a decision.

SIGNS YOU'RE MAKING PROGRESS

- You know which requirements matter before your next customer.
- Business money and records have a clear home.
- Customers can understand the important terms before they commit.
- You know which risks need action now and which can wait.
- You can explain why the rest of the setup is either next or can wait.

SIGNS TO SLOW DOWN

- Setup has become its own project that delays real customers.
- You're paying for tools because big companies use them.
- You're writing policies for situations that haven't happened.
- Setup is a way to avoid talking to customers.

DO IT FOR LESS

Start free. Pay only at the wall.

Many Foundation basics are free or low-cost if you do them yourself.

- Register through your state's own website instead of paying a filing service to fill in the same form for you.
- Open a separate business bank account with no monthly fee, so business money never mixes with yours.
- Use a free invoicing or payment tool, or a simple payment link, to get paid before you pay for accounting software.
- Keep records in a free spreadsheet. Write a plain one-page agreement before you pay for legal templates.

Pay a lawyer, accountant, or insurance agent only for the specific questions you can't answer yourself. Move up to paid bookkeeping software when the free spreadsheet can't keep up.

DO IT WITH AI

Let AI do the heavy lifting

Copy these into any free AI tool, like ChatGPT, Claude, or Gemini. Fill in the brackets first.

Make my setup list

I'm starting [your business] *in* [your state or country]*. List the basic setup steps a business like mine usually needs before taking its first payment, in order, and mark which ones I can do myself for free.*

Draft a simple agreement

Draft a plain, one-page agreement for [your service] *that covers what I'll do, the price, timing, who's responsible for what, and cancellations. Keep it simple and mark anything I should have a lawyer review.*

Prepare for a professional

I'm about to talk to a [lawyer, accountant, or insurance agent] *about* [your business]*. Help me write the five most important questions to ask, so I pay for as little of their time as possible.*

Check the answer: rules differ by place and change over time. Confirm anything legal, tax, or licensing-related on your government's official website or with a qualified professional.

NOT YET

What can wait

- A complicated set of software tools for a business with only a few sales.
- A big employee handbook before you have employees.
- Automating a process you haven't done enough times to understand.
- Detailed policies for situations you haven't run into.
- Several subscriptions just because established companies use them.
- Setup work as a way to avoid talking to customers or doing the work.

COMING UP

First Customers

Foundation makes the business ready to operate responsibly. First Customers is where you turn that readiness into real commitments, real delivery, and real learning. You don't move forward because every task is done. You move forward when there's enough structure to serve the next customer well.

Foundation isn't about looking like a big company. It's about enough structure to operate responsibly and serve real customers.