

Hidden business costs to be aware of when starting a venture

Underestimating the costs that you'll absorb as a new business could lead to premature business failure. It's important to plan for and understand exactly what it will take to be successful.

Fortunately, being aware of these three hidden business costs should help you get your venture started on the right step:

Keep your gas and electricity bills in control

According to data compiled by BusinessEnergy, a micro business based in the UK will use on average 7,500 kWh of electricity per year and face a total bill of £1,062 as a result. These figures rise to 15,000 kWh and a £2,038 bill for a small business, 25,000 kWh and a £3,146 bill for a medium-sized business and 60,000 kWh and a £7,346 bill for an industrial business.

Add to this the fact that organisations with gas connections typically use 10,000 kWh per year with a total average bill of £430 if they are a small business, 25,000 kWh and a total bill of £856 if they are a medium-sized business and 45,000 kWh and a total bill of £1,424 if they are a larger business and it soon becomes clear that gas and electricity are major expenses for companies across the board.

Therefore, you should take the time, when first setting up your business, to shop around and find the best deals for your energy. Flogas, for instance, offer a competitively priced and reliable [gas supply](#) to a variety of companies and can help them save up to 45 per cent on their gas spending alone.

Ensure you show your staff you appreciate them

As you are setting up a new business, it is very likely that you will be getting to know a lot of new faces as you build your team of staff members. To ensure they remain happy and see your company as a great place to work, it is important that you show employees appreciation when they are working hard and delivering the results that you are striving for — even if this does mean added costs.

Everything from prizes for employee of the month initiatives, to setting aside budgets so that teams can bond outside of the workplace with a meal or social gathering will cost money. However, they are also very likely to boost morale and have employees appreciating their work and doing their jobs with a positive attitude.

Don't forget to offer staff members the opportunity to go on training courses on behalf of the company as well, as doing so can help maintain high levels of motivation and engagement.

Make sure you get with the times

As a new business, there's a huge chance that you'll be entering into a very fierce arena of competition whatever industry you have your eye on. One way to ensure you survive is by ensuring your team has the most up-to-date technology available to them to deliver the best results possible.

If your employees raise a good argument that they will be better served carrying out tasks on the move, consider investing in a collection of tablet computers installed with all necessary software. Worried about cybercrime when you hear of stats such as that there were around 3.6 million cases of fraud and 2 million computer misuse offences recorded by the Crime Survey for England and Wales in its latest annual report? Adding robust security programs to all of your computer systems should give you peace of mind.

Such implementations may add up where initial costs are concerned, but if it results in a more effective and efficient workplace then surely you will quickly reap the rewards.

Sources:

<http://www.businessenergy.com/electricity/>

<http://www.businessenergy.com/gas/>

<http://www.bbc.co.uk/news/uk-38675683>