

RECORDS & SYSTEMS

Essential Business Tools: A Starter Toolkit

The software and services most small businesses need, which to put in place first, and how to avoid paying for tools you do not use.

FOR: START-UPS AND SMALL BUSINESSES • NEW TO BUSINESS SOFTWARE

Tools should save time, not create work

Every business ends up with a collection of software and services. Some pay for themselves many times over, while others sit unused and cost money every month. The aim is a small, connected set of tools that cover the essentials, with room to add more as the business grows. This guide sets out the categories that matter and the order in which most businesses need them.

The core toolkit

- **Business bank account and card.** Ideally with a feed into your accounting software, and the ability to give staff cards with limits.
- **Cloud accounting software.** Bookkeeping, invoicing, VAT, and reports, accessible to you and your accountant at the same time. Our guide on cloud accounting covers how to get more from it.
- **Invoicing and payments.** Online invoices with payment links get you paid faster. Card readers, direct debit and online payments reduce chasing.
- **Payroll.** If you employ anyone, software that calculates pay, files reports and manages pensions is close to essential.
- **Document storage.** A secure, shared place for contracts, receipts, policies and records.
- **Email, calendar and video meetings,** on a business domain, not a personal address.
- **Password manager and two-step verification.** Cheap, and one of the best protections you can buy.
- **Backup.** Automatic, off-site, and tested.

Tools that help as you grow

- **Customer relationship management.** Keeps track of enquiries, quotes and clients, so nothing is lost.
- **Project or time tracking.** Shows what each job really costs, and helps you price accurately.
- **Expense management.** Receipt capture and approvals, for staff who spend.
- **Stock or inventory control,** for product businesses.
- **E-signature,** to sign contracts quickly.
- **Reporting dashboards,** linked to your accounts.

Who this is for

- New businesses choosing software
- Owners with tools that do not talk to each other
- Anyone wanting to cut subscriptions

Key points

- Start with bank, accounting, payments and backup.
- Choose tools that connect to each other.
- One tool that does the job beats three that overlap.
- Review subscriptions every year.
- Security is a tool category too.

Choosing sensibly

- **Start with the problem.** What takes the most time, causes the most errors or costs the most?
- **Check it connects.** Tools that link to your accounting software, bank and each other save re-keying.
- **Ask your accountant.** They know which tools work well with the systems they use.
- **Trial before you commit.** Most offer a free trial. Use real data.
- **Think about the exit.** Can you export your data if you want to leave?
- **Mind the price as you grow.** Many are priced per user or by volume, which can climb.

Tool audit

- What do we pay for?
- Who uses it?
- Does it connect?
- Is the data safe?
- Can we export it?
- When does it renew?

By stage

STAGE	PRIORITY TOOLS
Just starting	Business bank, accounting software, invoicing, backup, password manager
Established	Add payroll, document storage, card payments, expense capture
Growing	Add CRM, project or time tracking, reporting, stock control
Larger	Add workflow tools, approvals, integration platforms

Keep control

- Keep a list of every subscription, who owns it, the cost and the renewal date.
- Review it every year and cancel what is not used.
- Give each person only the access they need, and remove it when they leave.
- Never share logins. Use individual accounts.

Security and data protection

Any tool that holds customer, staff or financial data should be secure, with two-step sign-in. Ask where the data is stored, how it is protected and what happens if the provider fails. Our guide on protecting your business data covers the basics.

Related guides

If this is useful, you may also want:

- Cloud accounting software
- Protecting your business data
- Bookkeeping basics

How King Street can help

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We recommend and set up the right tools for your size and sector, connect them to your accounting system, and train you and your team. We also review your existing subscriptions each year, so you keep only what earns its place.

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