

Money Talk with Malik

5 Financial Blind Spots That Cost Tech Founders Millions

A practical guide to protecting your wealth while building
your company

You Built Something From Nothing

You understand product-market fit, burn rate, and cap tables. You've mastered the art of building a business from scratch.

But when it comes to your personal finances, most founders are flying blind.

Here are the 5 most common financial blind spots I see with tech founders — and what to do about them.

1 Concentrated Stock Risk

You poured everything into your company. That's great for building it. Terrible for protecting your wealth.

If 80%+ of your net worth is in one stock or one company, you're one bad quarter away from a personal financial crisis.

What to do:

Build a diversification plan *before* you need one. RSU vesting schedules, 10b5-1 plans, and tax-efficient selling strategies exist for a reason.

2 Tax Planning is an Afterthought

Most founders think about taxes in April. The real money is saved in January.

Roth conversions, QSB stock exclusions (Section 1202), charitable giving strategies, and state tax planning can save six figures over time.

What to do:

Get a proactive tax strategy, not just a tax preparer. The difference between reactive and proactive tax planning compounds every year.

3 No Exit Strategy for Your Personal Finances

You have an exit strategy for your business. Do you have one for your money?

What happens when you sell, go public, or get acquired? Most founders scramble at the last minute.

What to do:

Start planning 2-3 years before any liquidity event. The earlier you plan, the more options you have.

4 Insurance Gaps

Key person insurance, D&O coverage, umbrella policies — founders often skip these because they feel invincible. Until something happens.

What to do:

Audit your coverage annually. Your risk profile changes as your company grows.

5 Retirement Planning Gets Ignored

"I'll sell the company and retire." Maybe. Or maybe the exit doesn't happen, or happens at a lower valuation.

Meanwhile, you've been maxing out on salary but ignoring tax-advantaged accounts.

What to do:

Max out 401(k), explore defined benefit plans, consider SEP-IRA or solo 401(k) structures depending on your entity.

These Blind Spots Don't Fix Themselves

If any of these hit home, let's talk. I work with tech founders and executives to build financial strategies that match the speed of their business growth.

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