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Starting a New Business.

1.0. Fundamental Challenges.

New idea faces different challenges at inception. Some of these challenges include: Innate, financial, environmental, and speculative. Innate challenge subdues inspirations and abilities; it is the source of procrastination, indecision and discouragement. Environmental challenge among its adverse effects retracts goals and eagerness to invest. Speculative challenge ensnares mental powers.

Suffice to say that anxiety magnifies challenge as boldness reduces it. Challenges in the ways of starting always are hitherto, they're evident only when eyes are taken off the goal or target. In other words, focusing on goals turns challenges into motivations or drives for end actualization.

Challenges are not insoluble. There are mirage and delusion thus, no effects. Innate barriers such as anxiety are a good example of unproven challenge. This is generally called fear of the unknown. However, anticipating failure prior to investment is a call to folding after investment. Loss in every investment is proportional to gain. Therefore, risk assessment and evaluation is the ability to find out a rewarding and viable venture to invest in and not repudiation. Risk assimilation strategy posits therefore that money that is not forfeitable is not investible.

Overcoming innate barrier is simple; because it has little or no external influence except that which man has as a weak point by fear. Therefore, fixation, doubtless and reinforcement are preconditions to overcome challenges. More so, the desire to succeed ought to be greater than the fear of failure.

Research shows that 30% of talented entrepreneurs do not develop their business ideals due to different challenges and 20% have theirs delayed or distorted. As the result, sum total of these percentages join the remaining 50% who had settled for employment; which is scares, thereby increasing unemployment rate. Suffice to say that the low gross domestic product GDP, standard of living and high poverty rate in most developing economies is caused by the absence of entrepreneurialism, environmental hostility investment apathy.

Therefore, except everyone builds an economy, no one can. In other words, the key to the economic development of any Nation lies on the strength of a collective contribution of the citizens to the economy. Thus, only patriotic economic efforts can guarantee economic development of a Nation in a progressive pace. Many developing economy where Nigeria belong currently, seems to lack patriotism and shared dreams. This is the bane of wholesome growth and development.

More so, environmental challenges are threatening to businesses in third world nations. The problems of infrastructure, unfriendly environments are alarming. Others are policy inconsistency, bad legislation and shortage of manpower. Also, advent of technology has had it adverse effects on developing economies as corruption. This is due to underutilization and backwardness in the application of science and technology. However, until these are intentionally fixed, the economy will not develop beyond its current environmental challenges.

Ironically, in Nigeria context, these challenges make Nigeria ripe for businesses and investments. The infrastructural challenges and short of man power results to high importation and dependant on foreign made goods. This is an opportunity to invest in infrastructural development, maintenance and provision of special skills.

Reports show that Nigeria imports basically things she can produce locally like Rice, wheat, sugar and fish. Others are textile, arts, wears, stationary etc. This is a function of a total neglect of entrepreneurship, Agriculture, manufacturing etc sectors.

However, my independent research apart from lack of technical know-how, gender and fund, shows intermittent power, tribal conflicts and over dependence on the imported goods as three major challenges facing business in Nigeria's rich economic environments. A tribal conflict makes the environment volatile and unstable for business. Thus, prevents both local and foreign investors from investing in Nigeria economy. This had caused steady economic retrogression.

In spite all, Nigeria has business opportunities other nations don not have – the population, coastal areas, myriads of natural resources, arable land etc. however, the underutilizations of these economic zones present great opportunities to foreigners and Nigerians who are the most enterprising Nation in the world¹

1.1 Discrete Challenges:

No two persons are the same. Different challenges confront different people at different point in time. Even when same challenges confront same person, the outcome always differs. This is as a result of differences in perceptions, orientations and experiences. However, what constitutes a challenge or problem to someone may be a solution to another and vice versa. Conversely, if there is

collaboration between two or more persons in a mutual relationship, individual challenges may be eliminated by the synergy.

Discrete challenges in addition to those above may include: age, gender, and ideas. These are a sort of barrier to business take off. This is explained in details hereunder.

There is a myth in Africa that women and underage don't engage in certain businesses like mechanic, transportation, engineering mining etc thus, an apprehension that they would not receive patronage.

Also, multiplicity of business ideas is a barrier to business establishment. It is therefore imperative to choose a business in line with passions, talents and hobbies. This provides the patience, persistence and

**To get to the top,
overcome your
doubts and cancel
discouragements.**

going concern of business even when there are no immediate financial rewards. However, it is untrue, that business that meets a need will go unrewarded.

More so, what constitute challenges is based on one's perceptive. However, to move to higher levels challenges ought to be overcome. Paradoxically, no challenges no development. Confronting challenges is a sure way to get to the top.

In addition, multiple business ideas are an indication of undefined purposes, goal and vision. Also, it is the main cause of discouragements and abandonment of business ideas. Illiteracy, primitivism and unadventurous as well as lack of intuition or insight are the function of multiplicity of business ideals. This is in addition to the high cost of operating business in Nigeria, corruption and other environmental factors discussed above.

Nevertheless, every conceivable ideal is actualisable irrespective of perceived challenges. Any ideal that identifies and can provide a single societal lack and

needs or adds values to the social-economic wellbeing of people is business to flourish. Therefore, antidote to multiplicity of business idea is passion to serve and vision to grow. This is because wisdom and understanding always flow to the direction of passion and determination. Wisdom is not only a key to accomplishment but opens what was hitherto hidden.

One problem of multiplicity of business ideas is complications during selection processes. In most cases the one that may meet selection criteria of an individual may not be the choice of the entrepreneur or the one that best supplies the needs of the people. Suffice to say that diverse business ideas and failure to start one is an indication that no societal need has been identified².

The entrepreneur involved places wealth acquisition ahead of needs. This is herein called exploitative entrepreneurship for purpose of convenience.

Exploitative entrepreneurs find it difficult to start a new business and usually winds up sooner than the business takes off. It is profitable for entrepreneurs to have some features of socialism to last. This is because the result of consumers' pre-evaluation and post evaluation of products and services consumed based on price, features and satisfactions controls their behaviour towards the products/services. Customers patronages is the sustain business. See chapter 2. Business is going concern but, the myopic visions of exploitative entrepreneurs entrepreneurs are another reason much businesses collapse after few anniversaries. Therefore for a business to last there must be a plan of action-a goal. Which Urieto, (1999) says ought to "looks into the future to determine the direction in which an organization or its subunits should be going. It bridged the gap from "where we are" to "where we want to be"

1.2 Environmental Challenges.

There are internal and external business environments, both pose degrees of challenges to the business. Internal environments are business immediate spheres while external environments are outside his direct control. This includes economic, socio-political, cultural, technological environments etc. Business ought to have control mechanism over its sphere like administrations, finance management, production, procurements etc. Yet, it is the most difficult to manage efficiently. The major aspect of business internal environment that need special interest is personnel management and fund allotment to different units.

External environment can be divided into three for more understanding. Territorial, global and ICT environments. Territorial or local environment is an area within sovereignty. Territorial challenges in Nigeria are not far-fetched. They comprise: poor infrastructure, intermittent power and myths. Inadequate social amenities in Nigeria are one major setback in investment quest in Nigeria. put succulently, the snail pace of development in Nigeria is a creation of infrastructural decay and lack of maintenance culture and programme continuity.

Dubai in 1976 was a desert; China 30 years ago was a third world nation, Nigeria were better than them. It would be a fallacy to compare these countries with Nigeria today in terms of infrastructural development and industrialization. Therefore, it is the responsibility of the government to provide an enabling environment for businesses and investments.

On the other side, environmental challenges in Nigeria are big challenges to businesses and investors. The tribal and religious extremism, political and policy inconsistency and insecurity are the dominate challenges. Since no nation can develop in atmosphere of anarchy and chaos Nigeria currently is on a standstill. No one can invest in a volatile environment, and any nation in a continuous

security challenges tends to retrogress as this volatility crashes the Gross Domestic Product (GDP).

These and other challenges generally increases the cost of production, reduces outputs and increases selling prices; forcing businesses to wind up and discouraging new ones from taking off. Myth is another territorial challenge affecting business and investment in Nigeria particularly the manufacturing sectors. There is a general belief that made-in-Nigeria products are inferior. Therefore, manufacturers being apprehensive that their goods may not be patronised label their products made in another countries. It is unfortunate to read at the back of a plastic plate manufactured in Aba: made in China.

Global challenges affects business globally. inflation, exchange rate, deflation and economic crises. ICT environment is another challenge posed to business of 21st century,

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1.3 Speculative Challenges.

Speculation is anticipation or a possible outcome whose occurrence is under probability.

At the tell end is the speculative challenges where entrepreneurs are faced with profit or loss phobias.© CALLISTUS 2012

Bibliography

Urieto, Joseph E. (1999) Business Policy and Strategic Management. Text, reading and cases.