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Now You're an Entrepreneur. What Next?



Perhaps you've just made the huge transition from employee to business owner. Or, maybe it's a choice you're considering, but you have no idea how to go about it or what it entails.

Whatever category you fall under, first, congratulations! You've made it this far. That's a lot further than most.

A lot of people dream of starting a business, going international, growing, scaling, and so forth. Still, they never quite leave that stage of dreaming. Yes, you should dream. In fact, dream BIG. However, you also need to think deep, and proceed to start. It doesn't matter how 'humble' your beginning, as long as you just start!

Once you've made the decision to start, there are five lessons to becoming an entrepreneur that you need to imbibe;

1. Ambition (motivation, dreams, and plans)
2. Strategy
3. Executive Skills
4. Operations
5. People

When you're through mastering them, these five lessons should form the 'Bible with which you operate as an entrepreneur/executive.

1. Ambition (motivation, dreams, and plans)

Entrepreneurship is exceedingly hard. It's often a choice between the difficult and the impossible. But, as we mentioned just previously, you must start. If you're still stalling, waiting on factors such as the "perfect" data, for example, then you're wasting your time.

In Sub Sahara Africa, you may not find concrete data to model your business on. Although, you can look for clues. They're everywhere if you look. Your start is the data source; the Reference Project. The challenge is, what next?

The answer is thoughts, strategy, and decisions.

This path you've chosen is never going to be 'easier'. Especially if it's the real deal. You could get an unexpected sudden breakthrough, but don't plan on it. It takes years to get to a point where you can navigate your business better based on your experience and growth. So, you must find a way to enjoy every single day of it, however challenging.

Also, as an entrepreneur, you literally must learn everything, both small and large. As an entrepreneur in Nigeria, this is even much more important.

Nigeria is one of the most unique entrepreneurial spaces on earth. It's harder, because, for Nigeria, you have to figure it out completely. And even then, it could turn out the opposite of conventional and accepted 'wisdom', primarily because of issues like our culture.

In this case, you might consider using other methods that still ride on the same platform you're building. But, first, answer this question – How big do you plan to be?

For instance, in the retail industry, that question is somewhat straightforward. It can be as simple as determining how many outlets you want to have.

Word of advice, when you start out, don't focus on money. If and when you get money, you still may not have things worked out. You need the ambition and plan to work out before you focus on money. Money is always a challenge, but it's not the central one.

To recap this point – Dream Big. Think Deep. Start Small. BUT, START!!!

2. Strategy:

This is simply, "What are you going to do differently, and how are you going to do it?" We'll leave you to take a good, long look at your drawing board here, and come up with the answers. If you need book recommendations, don't hesitate to send us an email. In the meantime you can start by watching this video "Keynote on Strategy By Michael Porter, Professor, Harvard Business School" <https://www.youtube.com/watch?v=Evvn0NAUPS0>

3. Executive Skills:

All of a sudden, you're an Executive. You're the most important person in the lives of many. Scary? Probably a little bit.

As an entrepreneur, you're going to have to develop your executive skills, in addition to everything else you'll be doing. Out here, it's more than getting an MBA, even though that's pretty useful.

You can become a self-taught MBA holder, right now. You only need to consume and study the same subjects as you'd probably do at a business school, in your own time, and at your own pace. Maybe later you can go and get the formal certificate.

If you're not sure where to start, topics such as Bookkeeping/Basic Accounting, Organization Design, Production Systems, Business Modelling using spreadsheets, Cash Flow Planning, Business Strategies, and [success?] stories should help. A lot.

Additionally, you could lose yourself in some Peter Drucker. His body of work might come across as voluminous, abstract sounding, and a bit old-fashioned. But, over time, you'd grow to appreciate his knowledge. The Effective Executive is a good place to start. It's a small book, and a wonderful read.

There are three more things to note about being an Executive;

First, you are the custodian of the organization.

Second, you make decisions.

Third, you set direction.

And perhaps, fourth, you pray. Not necessarily in the religious sense, although this is not excluded or discouraged. But, in the decision sense. Because, success in business is the lowest of all endeavors – No one ever knows, until you try.

By definition, a decision is not about making right or wrong ones. If you could tell what you're about to do was right, then it's not exactly a decision. A decision is simply, "This is what I'm/we're going to do. And if it turns out wrong, I'm solely responsible. Blame me."

Also, a decision is a choice between alternative courses of action, not the 'right' course of action. No such decision exists. So, you must argue with your team. If you all agree, again, it's not a decision.

4. Operations:

This is a term a lot of Nigerian entrepreneurs don't seem to fully understand. Operations is the science of running a business, a stadium, a World Cup, a large concert, a process, a production line, an activity, or a factory at scale.

As the founder and chief executive of your business, you must understand this topic, and maybe develop some skills in the area. However rudimentary. Otherwise, you can't scale.

How we try to espouse our learnings on operations:

- Defining the goal of an enterprise is the most critical task.
- Creating a customer, a market are the core goals, but ultimately, once that is done, the goal becomes more granular (i.e., increase revenue, net profit etc).
- All sequential steps or activities to achieve that goal must be defined and understood to the best of one's ability. Think of the inner workings of a clock, different parts ticking to ensure accuracy.
- Assess what resources is required to achieve the goal. Resources can be defined as (Time, Human Capital, Social Capital, Real Assets and Financial Capital. Need to do this to understand one's constraints
- Build a continuous improvement program based on overall system efficiency vs a single part of that system. This is where the concepts of bottlenecks and throughput play a large role. Work must be organized to identify bottlenecks. Once identified, you must solve right away. You must stage this based on available resources.
- **The most important resource is human capital.** For human beings to sustain the process of continuous improvement, it must become a habit. You either hire folks with a natural flair for it or train...
- At Consonance, we are interested in Africa's well-being. Whatever we do has to promote overall national prosperity. Tough to create a great sub-system within a rotten larger-system, so logical conclusion is you must push in the direction of improving the larger-system.
- Our focus on early stage is because of Gall's law. Best to build the foundation the right way. Increases the probability that business operations can scale profitably
- That said, experience is key here as we learn by doing. We also only know if improvements work by trying them. This is the reason why large and old companies are operations juggernauts, but there is still an indeterminate area that allows for newbies to innovate and win.

5. People:

It's last on our list, but it comes first. A company is not a company of assets, resources, products, technology, machines, or equipment. A company is a company of people, with a common purpose working in a clear organization structure. Thus, you must first build a human organization. Everything else are all tools and resources to be employed by the people.

Make it your first business to know everybody down to the cleaner and gate-man. Be the 'HR Manager'. Hire and interview everyone yourself. It's not a bother to do this, particularly seeing as this is where most problems could originate from.

Simply separate personnel activities, that is, day to day staff issues, from HC – Human Capital.

Human Capital means developing people. Thus, assume, there are no 'human resources' in Nigeria, but only human resource potential. And so, you look for those, then develop. That is, the process of developing human resource potential to become human resources for the organization. This applies to all organizations- Big and small, start-ups and established.

However, if possible, never hire friends and family. Give them money, wish them well, and send them on their way. Except, of course, in highly considered exceptions – You have a nuclear plant and the family member is the only nuclear engineer available 😊

Long story short, never hire someone you can't fire in a heartbeat. Hire strangers. Strangers to everyone, which includes you and your staff. When in doubt, leave them out or send them out! Good people emerge from a sieving process. Select, test, choose, retain. Where possible, hire in groups. If you need three people, start with five, even seven (select), then quickly choose three. The only way to know is to test on the job.

So, build testing and getting to know people into your hiring process. Never look for geniuses or exceptional people, look for good, ordinary people with integrity. The purpose of human organization is to extract exceptional performance from ordinary people.

In summary, learn to distinguish between people looking for work, and people looking for employment.

Enjoy your journey (**Africa is one of the most compelling multi-decade opportunity for entrepreneurs and investors globally**).

Above all, prioritize your family, physical, and mental health.

Good luck!

Courtesy of Enterprise Island (Contributors – Mobolaji Adeoye, Koye Odulate)

Note: Though we focus on Nigeria, the same lessons apply to all entrepreneurs across Sub Saharan Africa.