

*Leke Alder*

# **BUSINESS AND GOVERNMENT**

**Realities, Challenges,  
Opportunities & Empowerment**

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Let me begin this afternoon by stating that I am here to speak for the small businessman- the aspiring entrepreneur. I am not here to speak for big business. Big business can afford to speak for itself. I do acknowledge the challenges of big business but I want to speak for the little man- the young man or woman with little or no capital- a rather puny David confronting the Goliath called Life in Nigeria... I'm going to speak for that little man with limited options...the one for whom Government is a far away notion, something at a distance- a leviathan he can't comprehend or absorb.

You see to succeed in business in Nigeria you have to take on one of the attributes of God - you have to become self-sufficient. How do you do this, you ask. Simple! You provide your own power, provide your own water, create your own credibility and become strong. You know you have no national image backing- the type enjoyed by the average young man or woman in America and Britain. Nigeria has a bad reputation and every young man or woman pays the price. Nigeria's ill repute is why you can't do online transaction with some merchants. Nigeria is not on the draw down menu of many merchants.

As if that is not bad enough. There is a design flaw in the policy blueprint of government for businesses. Those blueprints are mainly designed for big businesses and those I call credibility-potentiated



entrepreneurs; and some of the people who designed the blueprints have never run a business, they've never started one from scratch. They don't know what it takes to build a dream on N100.

Who is a credibility-potentiated entrepreneur?

A credibility-potentiated entrepreneur is a typical banker who resigns from employment after so many years to go into business. He is very much used to the idea of writing a business plan. He has been vetting business plans all his professional career. He knows about management. He's been participating in management meetings. He knows about being held accountable for set targets and goals. He knows the value of networking- the bank paid for his membership of a country club or two. He understands what we call environmental scans- how to assess the operating environment and analyze government policies to make strategic decisions. He's used to making presentations to sell his ideas. He understands business structuring and corporate governance. He knows how boards function. He's participated in retreats, knows how to systematically brainstorm on ideas. He's gone for a course or two abroad, attended a business school or two, earned an MBA. He understands the need for specialists and consultants. His bank hires scores of consultants - strategy consultants, IT consultants, HR consultants, management consultants, social media consultants,

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advertisement consultants, finance consultants... The average bank employs the services of fifteen to twenty sets of consultants. He has some capital saved up, and because he has all this knowledge and experience, investors have confidence in him and are therefore willing to give him money.

But the average young man or woman who's just left university is at a huge disadvantage. He's probably never written a proposal in his life: thinks a proposal is a marriage proposal. He's never participated in a management meeting, has no knowledge of systematic goal setting, has no access to successful business people. Like many of you, all he reads is motivational materials. He never bothers to ask himself, after motivation what next?! And God help him if religiosity hasn't tenderized his brain. The realities confronting him are so grim that even the motivational materials become demotivators. He's not exposed to business culture, finds CNBC and CNN money programs incomprehensible, as if the people are speaking in tongues. All he knows about brands is that he uses a branded toothpaste. He has no knowledge of the stories behind the brands, has no knowledge of their history. It does make obvious sense that if you want to build a brand you should study the history of brands, isn't it? But not this young man. He has no capital saved whatsoever. His lack of knowledge and experience is an impediment to raising capital.

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He has no access to consultants. The good ones cost a lot. The irony is that he can't afford the consultants and the consultants can't afford him. And we wonder why there's a high failure rate among small businesses! How can they succeed when they're not capacitated? They can't even tell when consultants who have never run a business are feeding them B-U-L-L. The young man is awed by the idea of "doing business"- posting ledgers, writing memos to himself, writing receipts in triplicates, trying to think in reverse like accountants... Makes him feel special. All he has, all he can ever have is what I call the confidence of ignorance, and a prayer. Confidence of ignorance is not a bad thing to have if properly utilized. It can lead to creativity. Because he doesn't know how it's supposed to be done he's does it how he knows best and ends up creating something new!

This young man is what I call a credibility deficient entrepreneur. No bank will give him money. He lacks credibility. He needs to be in a program that incorporates learning and practice. He needs to learn management and he needs someone to manage him, to handhold him to deliver on his business potential. He'll need consultant support. He'll need mentoring. He'll need business infrastructure- a credible business address, power etc. He needs to be in an incubator.



The unfortunate reality is that 90 something percent of the people in the job market in Nigeria belong to this category. They are credibility deficient. The credibility-potentiated entrepreneurs are perhaps 0.0000000000000001% of the population. This is a very clear pointer to what government should be doing if government is indeed sincere about creating jobs. It's also a pointer to what churches and other religious institutions should be focused on, if they want to preemptively tackle the issues in society. It's always more efficient to create entrepreneurs who create jobs than for government to try and create jobs. When governments create jobs they create expensive bureaucracy. Too much bureaucracy and we engender corruption. Corrupt officials will set up artificial bottlenecks at every node of interaction with the public. And anyway over-employment creates under-employment. It is a waste of human life. And people fail to realize that employment by the State is on average a 30-40 year contract. The civil servant who stays on for 35 years and who proceeds at a normal pace of promotion will cost the State something in the region of N55,570,347.88. Some states can't even afford to employ. They are so dependent on federal allocation, they pay salaries from federal allocation.

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There are three savage realities confronting every



young man or woman in Nigeria today. And these are uncomfortable truths:

1. Things are very grim for Nigeria economically.
2. There are no jobs out there, and there is too much demand for the little there is. Remember that tragic Immigration Department recruitment?
3. Your future is in your hands.

You need to take certain strategic decisions:

1. If they won't give you a job you must create a job for yourself. You must become an entrepreneur and make money from the needs of those who have jobs.
2. You must develop entrepreneurial competences, culturally expose yourself and acquire business knowledge. How much you know is how far you'll go. Read, internalize knowledge and media. Don't just read motivational books. Read business magazines - Fortune, Inc., Fast Company... Read The Economist, Vogue, Vanity Fair... Watch CNN, CNBC, read the biographies of business titans, read about startups and business ideas; read science and philosophy - just to exercise your brain muscles and multiply your brain cells, and to develop neural connections. Build a data bank of knowledge. You can only work with what's in there. Travel. Imbibe culture, go

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to art galleries, study architecture, design, take photographs.

There are business opportunities around you. And you have a huge internal market. There's a huge youth market as well. About 63% of Nigerians are youths. That's a demography you know so well. Map their life cycles as well as their daily ablutions. They need to learn, shop, connect, eat... To move from place to place. They get frustrated, they need to relax, they need to socialize, they need to drink, some of them are lazy: they hate chores... They need to mourn... They'll bear children - they need to educate those kids, buy diapers... They need to work, they need internet connection; they need vanity cases for their phones and laptops, they need to listen to music, they need to gist, and gossip; they need to have their pictures taken; they need to connect to God, to make themselves heard in society; they need orderliness in this chaotic unpredictable society; they need understanding... They need homes, they need furniture, they need blinds; they need electronics, they need cheaper sources of power... They need to invest, they get heartbroken serially. They need serial comfort. They need to express their emotions, including their heart-brokenness; they celebrate birthdays, they get engaged... They need to brush, they need to bath, they need makeup, they need to show off; they need shoes... The women need varieties of nails;

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they need to cut their hair, they need to add some hair, they need to add plenty of hair, to be African and have Indian hair... And they need to sensationalize their hair, to prove a point, to be more beautiful... They need to serve, they need direction... They need to travel, they want to succeed, they need culture; they need to go on honeymoon, they need gadgets, they need coffee; they need someone to clean their house, someone to cook for them... There are so many needs around you. All you need to do is find a way to convert a need into something people will pay for. You have to adopt the fourth assumption undergirding the law of demand and supply, to convert utilitarian objects into objects of desire... That's what Phil Knight did with Nike. He converted ordinary running shoes into fashion accessories. Can you do it faster, better, cheaper?... Can you give more for less, strip things down and sell off in bits?... Or can you remove the extras and just focus on the bare essentials and offer it for less? On the other hand, can you develop a cocktail of needs and sell it as a package? Can you beat present standards, rethink a service? Can you serve better, connect better? Those are the opportunities before you and they're so many. How can you say there is no job! There are jobs, if you can swallow your pride, put on your thinking cap, be alert to the needs of others and start a business. Take a long-range view and dedicate yourself to a pursuit. Can you



create something YOU need and offer it to others? Can you create something that doesn't even exist, a service people don't even realize they need? If you can, you're well on your way to riches. Trust me, if it can generate N1,000 it can generate \$1m. All you need is intelligence, and dogged pursuit.

Now, you've got to stop seeing yourself as a victim and blaming government. You need to shift to warrior mentality, to access something lying dormant on the inside of you. You need to make a determination about your life...that you will amount to something; that life will not lick you: that you will not give up. You must turn your difficulties into raw materials of attainment.

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The starting point of all business success is a good business idea. If the idea is bad the business is dead on arrival. You've got to work on your idea. What problem is this idea going to solve? What desire will it fulfill? What pleasure will it give? Who needs it? Who else will need it? Why will people pay for it? How do you make people pay for it?

A business idea must have an economic model. If it lacks economic model it is not a business idea. If people won't pay for it, your idea won't survive. You must work out a payment formula. You must



constantly ask yourself, Where is the money? Who has the money?

The problem most times is that people don't understand the process of ideation. They don't understand you have to think through the idea before you share the idea. They rush out with the idea about the idea, not the idea. And because they haven't thought through, when someone points out an obvious deficiency in the idea they get discouraged and dump the idea. A few months down the line they see someone running with the self same idea and succeeding with it, and that's when they develop that quaint Nigerian expression: "And I had that idea O!" It always ends with an "O". Never rush out with the idea of your idea. When you spot an opportunity, or a business idea pops into your head, pick a notebook and begin to process your thinking. When you can walk through it in virtual reality you know you're close. You have to see it working in your head, see how it works, iron out the kinks. Let me share the 7 laws of ideas with you:

### 1<sup>st</sup> Law of Ideas

Ideas need a worthy host.

An idea has to have a host, but not just a host, a worthy host - someone to incubate it, nurture it,



carry it... When an idea introduces herself to you and you ignore it or don't act on it, she leaves to find another host. An idea will always look for a worthy host - someone who will value and appreciate her. When an idea finds a worthy host it confers worth on the host and makes the host wealthy.

### 2nd Law of Ideas

Ideas take over the life of the host.

Ideas require commitment. And ideas measure commitment. First, an idea will watch whether you are willing to commit, and the degree to which you're willing to commit. The bigger your commitment, the higher the return. You will find that all successful enterprises are run by people who are totally committed to what they do. If you want an idea to give you her all, you must give her your all. Whatsoever your hand finds to do, you must do with all your might!

### 3rd Law of Ideas

Ideas become you.

Listen to Michael Dell of Dell computer fame: "When you start a company, it's a very personal thing. I will care about what happens to the company even after



I'm dead. I just can't let go." (The Economist, May 3, 2008, page 74).

Steve jobs was Apple  
Bill Gates was Microsoft.  
Michael Dell is Dell  
Warren Buffet is Berkshire Hathaway.  
Larry Ellison is Oracle.  
Richard Branson is Virgin  
Anita Roddick was The Body Shop  
Laura Ashley was Laura Ashley  
Aliko Dangote is Dangote

Ideas become you. That is why corporations take on the persona of the founder. Your corporation assimilates you- your philosophy, vision, values and style. Only Richard Branson can create an airline and call it Virgin. Only he can get away with it. And only Virgin can produce this funky ad as air safety announcement:

You must however never confuse style with substance. Behind all that Virgin funkiness is a serious assemblage of some of the most gifted talents on the planet.

#### 4<sup>th</sup> Law of Ideas

Ideas like to multiply.



They multiply as they're nurtured.

Inside an idea is the germ of multiplication. Ideas start small, but then they grow big and multiply. Every idea has a potential for bigness. But how do you build a simple idea into a powerful conglomerate? Listen to Solomon: Any enterprise is built by wise planning, becomes strong through commonsense, and profits wonderfully by keeping abreast of the facts (Pro. 24:3-4 TLB). So you need to think and plan strategically, you need street smarts and you need market intelligence.

I'll cite Starbucks as an example of an idea which started small but has now grown big!

Starbucks was started in 1971 by three partners who met as university students. They are Jerry Baldwin, Zev Siegl and Gordon Bowker. They met as students at the University of San Francisco. They were inspired to sell high-quality coffee beans and equipment after Alfred Peet, a coffee roasting entrepreneur taught them his style of roasting beans. Now Starbucks is the largest coffeehouse company in the world with 21,536 retail outlets in 64 countries.

If your idea is to multiply, you must acquire managerial capacity- the ability to coordinate diversity, growth and complexity.



## 5<sup>th</sup> Law of Ideas

Nothing is impossible.

Ideas don't understand impossibility. In the world of ideas all things are possible. All you need is faith. Faith is the technology of attainment of the impossible. It demands you think big. And thinking big doesn't cost much. Just a bottle of Coke to supply sugar-fuel to your brain. Stop thinking small.

The future is always impossible to the man who is unwilling to be uncomfortable with limitations. If you want to make your dream feasible, break it down into steps. Consultants call those steps strategic objectives. All you need to do is to attach a timeline, and doggedly pursue those steps. Remember, all things are possible - if you believe!

## 6<sup>th</sup> Law of Ideas

An idea cannot grow bigger than the host.

The more intelligent you are, the bigger the idea becomes. The more imaginative you become the bigger the idea. The bigger your capacity the stronger the idea; and the stronger the knowledge you consume the better your idea. Expand your mind. You can't accommodate a large vision with a



small mind.

## 7<sup>th</sup> Law of Ideas

Ideas work with integrity

Ideas find it easier to multiply when there is integrity of heart. Among other things it gives investors confidence. But there's also what we call product integrity. If you manufacture an analgesic for example, and you promise it can cure headache it must cure headache. That's product integrity. Without product integrity your business will fail. You will develop a bad reputation.

These are the 7 Laws of Ideas.

In closing, remember you're not a victim. Your name is Victor, your name is Victoria. I wish you the very best in your endeavor.

Thank you and God bless!