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E-STRATEGIES FOR NIGERIAN SME: THE WAYS TO IMPROVE

Every country has its own business environment, just as every organization has its own set culture and business surroundings. While undertaking a business locally or abroad, the managers or CEOs of the organizations have to account for and consider all the external and internal as well as macro and microeconomic factors, which are likely to contribute to the success or failure of the business.

Nigeria is one of the most culturally rich yet traditional nations of the world. It is both male-centric country and class conscious, with men making most of the important household decisions and respect given to those with titles and degrees. A country's business environment is crucial for innovation and entrepreneurial development. It determines whether there are strong incentives for individuals to identify market opportunities and create wealth, jobs, and economic growth. An enabling environment that makes it easy for individuals to start up businesses, run them, sell them, and fold them if they are not successful, is one that fosters national economic growth. There are numerous indices that can benchmark Nigeria's standing in this area.

E-business is gaining more attention today more than ever before. It has remarkable impact on a wide number of industries and businesses with its amazing abilities to offer goods and services so conveniently. Electronic business is here with us and of course, most of us are already connected to its driver – the internet. In the past, businesses were linked to their local areas and to the people who could physically get to them. These days, the story has changed; businesses are operating beyond the reach of their local areas; the physical presence of those involved is no longer a barrier. For the fact that consumers expect better service delivery from businesses, this put businesses on their toes looking out for ways of filling consumer needs. The new economy demands that business must develop or reassess strategies if they are to operate successfully and serve customers satisfactorily. Hence, business needs

continuous improvement and transformation. To be precise, business success in today's changing world calls for improvement in the way business is run.

The advent of internet and its technology has provided great opportunity for the improvement in the way business is run today. As a vast network of people and information, the internet is an enabler for e-business; it allows firms to showcase and sell their products and services. E-business describes the information systems and applications that support and drive business most often using the internet and its technology. The rationale for this is to present goods and services in ways that would be expedient for consumers to access them and to increase bottom line result for firms.

When new goods and services or technology are introduced into the market, consumers make decisions whether to accept it or not. A force drives the acceptance or rejection. This force propels consumers to make purchase decision which translates in their behavior to achieve satisfaction of certain needs. Electronic business is one of the emerging business models which businesses adopt to have global customer reach. It facilitates business transaction with minimal delay and greater comfort. Electronic business has not only come to stay but it is increasingly gaining prominence and also competing with the traditional business model.

E-business has come a long way to the society and the manner with which people embrace this innovation has varied. It is obvious that e-business facilitates quick and easy purchase and sale of products or services. In Nigeria for instance, students apply for admissions into tertiary institutions and other examinations online, check results online without crowding the offices of examining bodies. Many job applications and tests are done online these days. Fund transfer, air ticketing, payment of utility bills, online shopping and payment for goods and services and so forth, are done using electronic platform at one's convenience thus, reducing stress, time and cost.

The costs of doing business in Nigeria are high. An adverse business environment can add substantial production costs to firms and stifle innovation and entrepreneurship. Electricity, finance, and transport are perceived as the major constraints to doing business in Nigeria, according to a World Bank Group Enterprise Survey that asked Nigerian managers to name the major constraints to doing business.

Nigeria, having a diversified social structure and complex business environment, also poses many merits and demerits for companies, both of which affecting the country locally and globally. The country has opportunities to form good bilateral relations by increasing its export base, diversifying its economy by going global, exchanging goods and services, and even laborers. The concept of outsourcing can be a very valuable opportunity for the country like Nigeria, where there is a large labor base and good, hardworking people. By going global, small companies in the country can avail and enjoy the opportunities of cross-border trade and appreciated foreign exchange, as well as ultimately, attain more profits. Similarly, they can expand their activities, diversify their operations, and bring in new ideas from abroad to improve their local productivity methods and procedures. This would also provide further growth opportunities and space for acquiring modern skills for coping up with the tough competition effectively. In this way, the competitiveness and productivity will boost with the passage of time while making the Nigerian companies more innovative, resilient, and profitable.

The Nigerian business environment is very threatening for itself. There is an increasing rate of crimes, frauds, and scams in the country. It has been years since the stories of water shortages have prevailed in the country and still, weak and dysfunctional resources continue to dominate. Then, there was even a time when, due to deregulation and corruption, fuel scarcity occurred in Nigeria. Thus, these crimes, frauds, illegal acts, violence, and corruption all lead to the falling reputation of the organization and losses in business. These factors hamper the productivity and become an obstacle in the way of enhancing business competitiveness. Another threat for the Nigerian companies operating locally is the foreign companies which are ruling the local markets and making the competition tougher for the Nigerian small industries.

The Nigerian companies do not have much capital to invest, are short of material resources, and have low standards of products and services. They are not equipped with advanced machinery, newer and innovative production methods, as well as educated and skilled labor. Thus, most of them almost fail when going on international platforms. The Nigerian companies do not have access to extensive allocation of financial resources on research and development programs. Thus, they will have to incur large production costs and costs of doing business if they want to go global.

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