

Business Management and Entrepreneurship Challenges: Contemporary and Emerging Perspectives

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Abstract

The dynamic competitive business environment globally is very demanding to both managers and entrepreneurs internationally. Business trends and continuous innovations have transformed business development in Brazil, Russia, India, China and South Africa which has played a considerable role in the worldwide economic growth. Small industry entrepreneurs display new goods and services that have outshined the old boundaries of the old knowledge created new jobs, opened new marketplace. In Kenya, the newly structured administrative County government system has created opportunities for entrepreneurs and more so has attracted potential investors. Counties are now becoming new centres with new influx making their ways to the counties for development agenda and investment projects. Entrepreneurship is the most important aspect of economic development in the last decade of business history. Starting and operating one's own business has become attractive for individuals from different walks of life. Such proprietors could be a man or woman, someone from rich or poor family background, a technologist or someone without a stylish technical experience, a college graduate or high school dropout or even a villager who has not seen the door of the classroom. The driving forces behind this desire to start a new business enterprise are: desire for self reliance, breaking the poverty cycle, creation of employment and supplementing incomes and meagre resources from other sources of employment. This paper sets out to define entrepreneurship, highlight the main variables of entrepreneurship and business management, describe entrepreneurial characteristics, articulate mechanisms for nurturing entrepreneurs, highlight potential pitfalls for emerging entrepreneurs together in the current vibrant business environment and examine business as a customer as well as a centre of excellence.

Keywords: *Businesses, Competitiveness, Contemporary, Entrepreneurship, Innovations*

Introduction

The vibrant competitive business environment globally is incredibly exigent to managers and entrepreneurs. The trends in business set-ups have remodelled business development in rising and emerging economies such as Brazil, Russia, India, China, and South Africa making them compete for a substantial role within the worldwide economic process. Small industry entrepreneurs display new goods and services that have outshone the old boundaries of the old knowledge created new jobs, opened new marketplace. In Kenya, the county government system has created opportunities for entrepreneurs. Entrepreneurship is the most important aspect of economic development in the last decade of business history. Firms must realize new wealth creating strategies by dreaming, exploring, creating, pioneering and inventing.

As Kenya strives to attain the Vision 2030 a reality, the Taxi Industry, including *Boda Boda* (Motor bikes and Bicycles), is functioning round the clock to suit into the developments of every region. The Kenya Vision 2030 encompasses, among other things, development of relevant technology and infrastructure. The Taxi industry has started training and retraining drivers on road and safety measures as this will enhance security of clients, cars and drivers. In Kenya, the devolved government and administrative system of Counties has created opportunities for entrepreneurship and yet markets are shrinking. Every county is exclusive in terms of the history, culture, civilization market and desires of the individuals. Counties are the instruments of the country's development growth. Businesses are situated in the counties and employment is being created there. They have become sources of thoughts, concepts, designs and development progress. Counties are glowing beacons on the capitol hill, drawing thoughts from the local regions to hunt higher lives and chase their dreams. Already there is a struggle for living space, grazing land for livestock's in our counties (example, Oil and Mining sites in Turkana and Coast) and basic amenities for example, sanitation, the water supply, healthcare, and education are either at breaking point or essentially not available. How will local residents cope with the huge new influx already making its way into the Counties?

The taxi sector players are putting strategies in place to ensure taxi business benefits from the development blueprint. Players in the industry are doing research and development to embrace mobile phone technology which will help relay information of a person to be picked up using a mobile to the

driver, without having to communicate by the traditional two way radio. The technology also help in giving updates on locations of each vehicle by use of Global Positioning Satellite (GPS) and in making payments for taxi services without using cash. Improved roads in the Counties, will translate to reduced expenditure on vehicle spares, taxis maintenance as the tear and wear on transport movement is significantly reduced. Construction of new roads will impact positively on the industry. With proper roads, speed with caution will also be added advantage and connectivity to unreachable places will be easier.

The players of business must obtain several legal requirements to start operating a business. As a corporate entity that one must attain the City Council by-laws License to operate within the City. The vehicle must always be inspected by City council; it must have a music copyright license, government inspection certificate, PSV insurance while a driver must have a valid license to operate all classes of vehicles, PSV license and certificate of good conduct. He singles out adequate number of vehicles with well-trained drivers, well equipped cars with radio equipment capable of two-way communication, 24 hours call centre complete with a dispatch team as some of the operational requirements a company should attain to be successful in the business.

Business Management and Entrepreneurship

In today's world, the business environment is rapidly changing from analogue to digital communication, innovation and creativity, research and development, manual banking to e-banking services, consumer to producer of products and services, for example livestock products among others. This surrounding is turning to be complicated day by day and companies or corporations should adopt the current amendment. Transforming Business globe needs new views to be competitive. Business is an associate method to adopting, looking, and inquiring the difficult queries of excellence. In constantly changing environment where firms must make quick decisions that have long-term effect, the future becomes more unpredictable. Firms must carefully commit to specific strategies while developing adaptive capabilities in an ever changing marketplace. Measuring and evaluating business quality or structure is an important part of learning and measuring method that involves individuals in self-evaluation and permits companies to spot strengths and development prospects. In particular, business excellence provides for a complete integration of the improvement activity into business through the following pillars of business excellence (Burke, 2006). These pillars include: leadership; customer focus; strategic alignment; organizational learning, innovation and improvement; people focus; partnership development; fact-based processes management; results focus and social responsibility.

Entrepreneurship has emerged over the last two decades as debatably the utmost potent financial strength internationally (Kuratko, 2005). As Hitt *et al.* (2001) affirm, "entrepreneurship is well-liked part as a result of its professed as a machine of socioeconomic expansion and improvement, delivering new job prospects and various product and services to the people." Entrepreneurship is one in every of the fundamental wants of our era for wealth establishment or success. An entrepreneur can be defined as a "person who habitually creates and innovates to build something of recognized value around perceived opportunities" (Burke, 2006). Chief Executive Officers (CEO) talk about growth, market demands it (Gulati, 2004). When main businesses start to highlight, study recommends that fewer than five percentages of firms recover growth rates of a minimum of one hundred and twenty fifth on top of gross domestic product (Corporate Strategy Board, 1998).

As manager and leader, the entrepreneur is one of the characters which strongly influence business around the world including in each country. In general, an entrepreneur is a person who creates new business, taking risks in achieving the objectives which they propose to make profits and growth by identifying some important opportunities. Entrepreneur is "a person with leadership, which take risks to exploit certain opportunities, are based on more on their forces, develop its strategy based almost entirely by personal interests".

According to Burdus (2010), the following are the characteristics of entrepreneurs: self-confidence in own talents that determines success once targeting, that repeatedly however may also cause failure, high wants for urgent outcomes to continuously monitor the outcomes, which is able to ensure whether or not they have done right or wrong, preference for a moderate risk, disposition to assume responsibilities preferring to manage their own resources to realize their objectives, high energy that permits him to create unbelievable effort required to begin a business, vision to change the invention times discover future opportunities, high level of commitment, tolerance of ambiguity and suppleness (Burdus, 2010).

Entrepreneurship is fast becoming a trend in the business environment across various regions and divides. This has exposed different traits of entrepreneurs in varied settings within respective

domains. An entrepreneur is faced with various challenges while executing his or her idea to start a venture. A long and winded way is cast on ensuring the vision and mission are well aligned to pave way for the modelling of the idea. It is, therefore, imperative that entrepreneurs possess not only sound business acumen, but also well-grounded research with industry specific knowledge to complement their entrepreneurial business management skills. As a business grows, different problems and opportunities demand different solutions, and mitigation strategies are required. What may have worked for other businesses may not work for you and avoiding ill-fated norms could turn around a good idea into a great business (Busenitz *et al.*, 2003).

As noted by Hoy & Miskel (2008), entrepreneurs possess the following traits: desire for responsibility, preference for moderate risk (risk eliminators), confidence in their ability to succeed, desire for immediate feedback, high level of energy, future orientation (serial entrepreneurs), skill in organization, value of achievement over money, high degree of commitment, willingness to accept risk, work hard and take action and flexibility in place business. The rapid increase or boom in entrepreneurs has been as a result of considering entrepreneurs as heroes, entrepreneurial education, demographic and economic factors, shift to a service economy, technological advancements, independent lifestyles, commerce and the internet, and additional international opportunities.

Tasks, challenges, and responsibilities increase in a fast growing entrepreneurial organization (Naman & Slevin, 1993). This calls for external support, preferably employees who demonstrate entrepreneurial characteristics and work habits. Entrepreneurs should look for self-starting individuals who understand the challenges and potential of working for an entrepreneurial endeavour. An entrepreneur or management in-charge must work diligently to recognize, identify and attract such employees during the recruitment process. The business could also resort to an outsourcing function for specific business tasks such as human resources, finance and operation or information technology. For example, you will want to delegate responsibility for particular areas to different specialists or appoint staff to strengthen your enterprise. Besides hiring additional labour force, you will need managers or ideas people to help you run the venture smoothly, while you are on the look-out for other business opportunities (Busenitz *et al.*, 2003; Kuratko, 2005).

The mindset of the employees is one of the common problems faced during the hiring processes. At times, you will find among the applicants or entrepreneurial minded persons who sometimes creates a dilemma as they pose indirect threat in form of idea replication. An entrepreneurial minded employee is someone who takes initiative and works effectively on his/her tasks without much intervention or guidance from managers – such individuals possess the ability to deal with risk, are result-oriented, have growth potential, multi-tasking ability and team players.

Some entrepreneurs guard themselves from such employees due to the fear of learning their business processes, copying their concepts, and eventually competing with them. If the benefit quotient is anything to go by, the entrepreneurial mindset brings in creativity that would be permanent in exploring new avenues in terms of product development, channel distribution or projects. The individual becomes an asset to the venture. At times, you may be inclined to hiring someone smarter than you – be it in capability or execution. Despite this arrangement, one should always be cautious. The entrepreneur has to ensure he or she does not sacrifice macro-level supervision.

For mid-sized to large enterprises, you would consider such a mindset, a windfall to the overall management of the business, leading to innovative thinking and creativity, especially in a managerial role. But for start-up enterprise, hiring an entrepreneurial minded employee might pose a substantial risk. This is because he or she may learn the tricks of the trade and eventually ended as a competing point. It is therefore critical to leverage the objectives of the employee towards long-term goals of the venture. This is a key in balancing the benefits of foresight and sense of responsibility to the challenges of idea replication and learning of business processes.

As business owner, one of the most important parts of the business is my fear – the hardworking people who challenge me to drive the company to new levels of success. A good case is that of an entrepreneurial venture (ICT-related) that grow exponentially resulting in the need to employ staff with concurrent expansion to other locations within the East Africa. A key risk posed by the former was imitation from some of the tech – savvy employees who had sound knowledge of the industry, gauging opportunities and challenges within the industry (Burke, 2006).

A main recommendation was not only instituting staff welfare mechanisms, but also devising an inherent motivation and reward framework. The objective of the framework to harness performance, nurture and enhance employee satisfaction. However, performance management amongst other organizational methods is not the only means. A knowledgeable entrepreneur will discover methods to maintain employees motivated and committed to the responsibilities of influence.

Growing Entrepreneurs and Managers

Entrepreneurs can grow successful ventures by catering for employees' development: professional growth; engaging with employee; freedom and fluidity: after work hours; creating entrepreneurship spirit; rewarding employees where necessary; managing expectations; modelling behaviour

According to Costello *et al.* (2011), identifying with the entrepreneurship path is one of the most important aspects in entrepreneur business society. For entrepreneurial activity to increase, it is critical that people see the role of the entrepreneur as a viable path and an attainable possibly for themselves. For many entrepreneurs, it is not a matter of a single identity but rather a set of overlapping identities that are used in different situations. There are two ways that people first start down the entrepreneurial path. Many begin with the desire to be an entrepreneur and they go searching for an idea that will help them realize that ambition. As an entry point, this group identifies strongly as entrepreneurs. Others begin with an idea and slowly find their way to a new entrepreneur identity. Entrepreneurs are enclosed by stories. Entrepreneurs are an essential part of philosophy and deeply within the entrepreneurs' expertise. Stories recruit and register others, produce community, are instruments or agents for intense social affiliation. Stories are important learning apparatuses that facilitate rising entrepreneurs integrate the expertise of others. They are consequent best replacement for actual practice. Similarly, networking events, workshops, and conference are chiefly an opportunity for entrepreneurs to gather and to learn from each other's stories. Stories are also mechanisms that persuade stereotypes and myths about entrepreneurship.

Entrepreneurs notice nice worth in drawing on shared expertise, learning from others facing related problems, or obtaining facilitation from people who get you." There is a tremendous sense of goodwill, within a village, where people are very willing to assist one another, substantially a pay-it-forward approach. For instance, we encountered entrepreneurs who were only a few months into a particular venture that were opening their space to and mentoring younger, aspiring entrepreneurs. However, for all the sincerity and convenience evident in entrepreneurial villages, they may even as somewhat be termed as groups (Costello *et al.*, 2011). The significance of location – several business persons start-up and follow wherever they live, pulling from every resources exist among their community region. Others select place with target, supported a location's entrepreneurial name or the texture. Entrepreneurs enjoy a location with a concentration and vicinity of entrepreneurial societies. In specific places, entrepreneurs come across one another within the street. They form group of people organized nearby sectors or information areas that have completely different desires and performances.

The Network (Social) is everything – using social capital to amplify individual effort. Everyone knows that networking is a component of the entrepreneur experience, but the spectacle and connotations can obscure the true value. Networking is about building social capital and creating trusted communities through which you have access to an extended body of actual and potential resources. Reframing disappointments as calculated repetition – to be modern entrepreneurs are told they need to not solely commend achievement, however, anticipate and contain failures. It also permits entrepreneurs to develop the abilities required to response to the doubt they encounter. The business person expertise is never easy or expectable. It needs duplication and research. Several entrepreneurs are not strengthened or supported for repetition.

To be entrepreneur is to navigate a never-ending series of questions where the learning curve is steep and long. In fact, nearly the entire entrepreneur experience can be understood by looking deeply at what and how entrepreneurs learn. Entrepreneurs are final in all-purposes, ready to start from business strategy to merchandize development to fund rising to capacity development to client service. Re-funding stress disorders – Getting money is still more traumatic. Fundraising is one among the foremost troublesome and showing emotion of the enterpriser expertise, whether or not one is within the majority of entrepreneurs self-funding or with those seeking venture capital. For self-funders, there are genuine practices of living off credit cards, emulating from friends or family, remortgaging property, sound into retirement credits, obtaining loans from a far tightened banking industry are causes of endless pressure.

The "WE" of entrepreneurship – recognizing the value and impact of teams. In search of nice plan for a business, several entrepreneurs overlook the worth of their groups and therefore the impact that groups wear the feasibility and accomplishment of their business enterprise. Relationship among the team members in start-ups are so important and challenging in large part because start-ups are intense and emotional experiences. Recognizing the role of other people and empowering entrepreneurs to better deal with team is critical for understanding and improving the entrepreneur experience. Entrepreneurship as a life skill – assisting societies open their lives in changing periods.

Prospective Barriers to Entrepreneurial Business

Infiltration into business not only brings benefits to entrepreneurs, could face several difficulties, among that the foremost vital are: uncertainty of incomes accumulating from beginning a business that does not warrant the action of the revenue that will give the essential assistance, risk of losing the whole investment because of the comparatively high share of bankruptcies of little businesses, even within the 2 years; severe work while not a protracted amount of leave under stress as a result of if the business ends, the financial gain is not any longer created and customers disappear, deprived value of life till the business stabilizes, high pressure because of massive investments that require entrepreneurs in a very low certainty of winning while they need endowed what it will result in bankruptcy. Other obstacles include: taking full responsibility for the effects of entrepreneurs to take decisions which, by issues that often have little knowledge or lack of assistance of a specialists in the field and discouragement and disillusionment caused by the obstacles they may face, making only characterized by optimistic entrepreneurs to enjoy success (Corporate Strategy Board, 1998).

Small firms are more likely than large companies disappear from the market because of limited resources, a less efficient management and a financial instability. The most common mistakes committed by entrepreneurs, are: Poor management – entrepreneur may not have the ability to drive their own business, do not possess the necessary skills of leadership, knowledge necessary to lead; Lack of expertise – every entrepreneur needs some experience in developing business. Creating and developing a business in an area where you do not have the necessary skills will pass sooner or later the quality of the product or service, motivating staff, generally in all areas of business that are necessary for success; poor financial control – business success still depends on the availability of capital to start entrepreneurial activities. It also requires adequate financial control and use of appropriate methods for costing. Marketing of low quality products and lack of a strategy based decisions; uncontrolled growth; poor choice of location - choosing the location where the availability of spaces and not the result of careful studies that benefits may be an important brake on development of that business and even disappear. Others are poor inventory management that can lead redundant stocks generally unjustified expenses that may constitute grounds for failure in the continuation of that business.; Setting incorrect price – setting price of the product or service incorrectly or too much under the influence of prices by competitors or too small from the perception of “*sell the best product at the lowest price*” is one of the mistakes that can lead to business failure.

Conclusion

Naman and Slevin (1993) argue that, today, enterprises need high competitiveness to survive and to achieve their purposes. To gain high competitiveness, enterprises must strengthen their implementations or activities with the intentions of the academics from the research. It is also essential for firms to take science as a guide. In this way, firms can respond to the necessities of business world. Firms must integrate their entrepreneurial behaviour or style with strategic wisdom when they are seeking for new opportunities and advantages. An entrepreneur should realize that some functions require specialist's expertise such Human Resources, or Finance. At this point, it is necessary to develop an environment that encourages employee growth and happiness. Entrepreneurs or business people have to constantly remember that people are the greatest assets to a business by promoting their personal and professional development that complements the overall objectives of the enterprise. Entrepreneurship is about innovation and continual improvements. Excellent business or organizations must create a team of champions to help in understanding and application of the innovations. It is by framework that business excellence is driven in pursuit of global competitiveness.

Support for new business is particularly important for transitions from unemployment to self-employment. Arrangements to make it easier for people who depend on welfare benefits (such as unemployment benefits) to start their own business and become economically independent (welfare bridges) can help the entrepreneurs to grow. It is also important that for entrepreneurs in turning failures (barriers) into success (second chances for honest bankrupts). Always look forward and turn a negative situation into a positive opportunity without fear of failures. This indicates that business failure, like business creation, is part of a dynamic, healthy market growth. The promotion of entrepreneurship can assume several forms in order to overcome the identified barriers: establishment and promotion of business and social networks, using media and campaigns to promote role models, success stories and rewards of becoming entrepreneur, creation of a more friendly regulatory and administrative framework for business creation, developing attitudes and skills through the promotion of education and training activities, development of services oriented to the problems and difficulties of their public, and the

implementation of new finance models and methods to permit the access finance to more entrepreneur people.

ICT is also another key source of growth for national and counties economies and small businesses grow two to three times faster when they embrace ICT. This means that better use of information and communication technology (ICT) can significantly help new businesses and entrepreneurs to thrive. Many new ideas for successful businesses come from science, and research and development, but more can be done to make business use research results. About 50% of new businesses fail during their first five years due to lack of access to finance. If entrepreneurs are to be able to deliver the growth we expect from them, we must devote greater resources to helping them to get through this period. Entrepreneurs increasingly need advice and support in dealing with resource constraints and supply insecurity through strategic investment and product development.

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