

Media Article



Vocational Guidance Services

FROM MULTINATIONAL TO OWN BUSINESS

In late 2002, I sat with a career guidance candidate called Ian Ng'ethe who was at that time Marketing Director for East and Southern Africa for Reckitt Benckiser. Ian has since set up his own business called Pinnacle Training Center. The company was registered in February and started operations in May. Ian is the past chairman of the Chartered Institute of Marketing (CIM) and has been granted the CIM accreditation to train candidates to post graduate diploma level. Furthermore, Ian has been trained in the US by Crestcom, which offers leadership and management training and granted the Kenya license so that he can now offer the same specialized courses to managers in Kenya. Since May 23 corporate clients have been enrolled for training.

When I spoke to Ian about the challenges of changing from large multinationals to your own business, Ian jokingly said that the only way he was going to become CEO was to start his own business! On a more serious note, he said that the major challenge has been getting used to having no steady income. In a multinational you tend to take your end of month salary for granted. The advantages of being CEO of his own business include the chance to think deeper and more creatively 'out of the box'. In a multinational your work tends more often to be prescribed from Head Office. As founder of his company, Ian now has much more leeway to be as entrepreneurial as he likes and he says this is the part he enjoys the most.

Ian maintains that the starting point for anyone who wants to be their own boss must be a very clear vision of what they want to do. Any new business should have a point of difference or a unique selling point, be it in product or service in order to be competitive. This uniqueness could be simply in the customer service. Ian has also learnt that it is important to work through people, to get the right people on board in the business as well as to network for new business. The exciting thing about his new business is that, unlike marketing fast moving consumer goods, in training he now gets to be in touch with his end users and they give him instant feedback on his services.

When first starting out, setting up the operation seemed like an insurmountable mountain. However, to succeed he had to break up his plans, into smaller doable parts, as he says you can only eat an elephant bite by bite. When setting up his office he had high hopes for the new business environment because of the new regime. However, he was in for a big shock as it took him months to get the basics like telephone lines and licenses in place and he says he now understands why investors can get frustrated in this type of environment.

Ian used his savings to set up the new business and says he has come to realize that banks will rarely support new ventures, yet he believes that if you have a viable business plan and a strong idea raising funds should not be so difficult. Although he recognizes the importance of pooling up resources with friends or partners for business, he cautions people against relying completely on friends for financing their new business as those friends might end up controlling the business. There are some areas, such as accounting, where Ian has sought regular professional advice.

Some parting advice that Ian gives to people who are considering setting up their own business would be that from the outset they should have 'both feet' in the business, as if they keep one foot on either side between self and regular employment, both sides would suffer from a lack of commitment. He says statistics show that over 80% of small and medium businesses close by the 3rd year of operation due to poor management practices. A new business is like a newborn infant and needs your full attention. If you are going to put your hard earned money into a venture, you should only do so when you are ready with your due diligence and business plan and have enough savings to ensure that the business gets a proper start. Ian believes that your intuition will tell you when it is the right time to start your own business, which is when you are convinced that you will make a complete living out of it. He believes that it is important for you to cut the emotional link with your previous employer as it allows you to focus on your business success; however, it is advisable that there should be some linkages between what you have done before

and the business that you are about to set up. This is because your networks will support your new business; in fact 70% of Pinnacle's business has come from his previous contacts.

Ian's last bit of advice is that you should always have a mentor (apart from God) from whom you can seek sound business advice.

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