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## Solutions key for startups success, not good ideas

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Solving a problem in the community sees businesses weather initial challenges of acceptance. FILE PHOTO | ILMG

In the course of my work as a champion of business sustainability, I interact a lot with startups. The question that pops up almost all the time is, "how can I make my business more inclusive and sustainable on a shoestring budget?"

Because this question keeps recurring and because it is central to the success of any business, I decided to put my thoughts together in writing so that many more startups can benefit from it.

The first thing I always say is that it doesn't matter how good your idea is. Good ideas are sexy but if they are not solving a problem in the environment or in the community, then the enterprise that results from the 'good idea' is unlikely to survive the storms that befall businesses in the early years.

Look at Kenya today and consider the huge problem we have with waste management. Almost a year ago, the government banned the manufacture, import and use of plastic carrier bags. At the same time, we realise that PET bottles, plastic cutlery and straws remain a present danger to our environment.

The country is evidently hungry for green solutions particularly for the hospitality industry.

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The plastics menace, therefore, shouldn't be looked at not only as a challenge but also as an opportunity to develop solutions that are affordable, sustainable and profitable. It is an opportunity not just for startups but even for established businesses to venture into areas outside their current trade.

The ban on plastic carrier bags presents immediate opportunities for sisal farmers, for instance. Sisal can be used to make reasonably priced, long-lasting carrier bags that are friendly to the environment. There are also business opportunities for locally produced alternatives for plastic cutlery in hospitality industry, locally produced refillable water bottles, alternatives for single use plastic wrapping for export flowers, local alternatives for straws and many more.

The need for information on solution-based ideas has never been greater. Every year, ambitious individuals fail to get into the right business for lack of information. Perhaps, this presents another opportunity for a business advisory that specialises in studying the business environment so that startups can access practical ideas while existing businesses can improve their practices for long-term sustainability.

Once the entrepreneur responds to the needs in the community, the idea moves to a higher level. It stops just being his/her idea. It becomes everyone's business. And with that, you get the answer to the first question. Your business will have a positive impact on people just by its very existence.

There are no hard statistics for Kenya but estimates indicate that up to 75 per cent of all startups fail within the first 10 years – 50 per cent within the first five years and 75 per cent by year 10.

Setting out to provide a solution to a problem can significantly reduce your chances of ending up a statistic. There are, however, many other must-do steps which can enhance your likelihood of success.

Whereas drawing up a business plan is considered basic, you will be amazed at the number of startups that sprout every year without any informed idea about location viability and market sustainability, let alone a financing and expansion plan.

Lack of planning or poor planning is responsible for most startup failures. The market might not respond positively to the product; the product might be good but pricing not market-appropriate; the entrepreneur may run out of money or the team behind the startup could be ill equipped for the job.

Additionally, unless you are in a very unique business, there is no way the competition will sit back as your business eats into their market share. Without sufficient tenacity, the fight for control of the market could be defining. It could make you stronger or it could leave you out of business.

Every startup must also think about how it will impact people throughout value chain - from sustainable sourcing, creative financial models and sustainable waste management to true pricing that takes care of natural and human capital, among others. Being responsible for the total impact of the business is critical for future proof business.

Here is how it works. When your business sets out to empower people, starting with employees, suppliers and then the immediate community, the end result is an empowered people who, through innovation or as loyal customers, can contribute to the long-term success of the business.

Similarly, if your business sets out to ensure none of its practices affect the environment negatively and that instead it champions a cleaner, safer natural ecosystem, then the environment will have the capacity to withstand pressures and support the business for generations without the need to move to a new location when forests are destroyed and water sources depleted.

You don't have to be big to make a difference.

You don't need more money than what you got already to empower people and conserve the environment. But you need to ensure your business model or what I call the DNA of your business, is built around solutions, inclusivity and sustainability.

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