

CHALLENGES OF A START-UP ENTREPRENEURSHIP



Unicorn, the magic word of the start-up world, is the aspiration of people who are motivated to take a stab at their company becoming one, and themselves as entrepreneur.

Some say, it is in-born, inheritance on a silver platter, whilst others are driven by ambitions or adverse career circumstances. Whichever the case may be, “entrepreneur” as the French and English people use the same word which stems from the Latin word *interprehendere*, which corresponds to the verb *entreprendre* in French means “to grab” or “to take control”. We see many successful entrepreneurs that have been recognised as icons of their respective industries - respected, admired, and inspiring others to follow their path; a lot more failures that went unnoticed; and many others merely surviving in their little corners. The path towards start-up entrepreneurship is more than what meets the eyes.

Taking the First Step.

The most challenging hurdle for most would-be entrepreneurs is taking that first step. To some people, it may be quitting a job, losing a job, or seeking new adventures beyond the corporate world. The decision to venture out often influenced by fear, doubts, self-reasoning but mixed with “optimistic dream”. The thought of not having a stable salary, managing personal finances, the uncertainties in the competitive business world – often pull one back from taking the step forward. However, once the mental challenge is conquered, the adventure begins.

Business Idea – Making a Difference, Following the Herd?

Start-ups often feel that their business idea/offering is either different or will make an impact in the market place, and sometimes may entail “unrealistic expectations”. The idea chosen to pursue because of research or their passion may not always be the right idea. Most ideas change in response to customer feedbacks and market dynamics. Unfortunately, the entrepreneurs sometimes would rather quit than iterate or pivot their original plan in order to address customer needs.

On Your Own, Or With Partners?

Going solo or entering a marriage, mirroring that of a business partnership with likeminded individuals – is a decision that must be thoroughly explored as wrong partner(s) will be detrimental to the business. Going beyond a partnership, especially for start-ups,

collaborations between start-ups and established corporate players are worth considering as it is pivotal to fostering innovation as well as leveraging on existing network.

Hiring Staff

A team comprises of individuals with complementary skills and identical focus will help build a successful start-up; coupled with appropriate team culture. Attracting suitable candidates will be more challenging as they are not easy when there are other more established companies offering better career opportunities and compensation. It takes likeminded individuals to take the challenge, based on the opportunity to be part of a vision they believe in.

Getting the Business In

Sending feelers out at the idea stage allows you to connect with potential users, gather feedback, and pre-sell your product/services. Connecting the dots of relationships and businesses through people you or your partners know will be the starting point. Regardless of whether the initial phase is successful or not, sustainability is the name of the game. And sustainability requires consistent efforts and commitment whilst keeping view of the resources available, the extent of growth potential, and also to expect disappointments.

Cash Flow

One of the biggest challenges that start-ups face today relates to financial management. It is a fact that smaller start-ups rely heavily on financial backups either from themselves or the investors. When there is a cash influx, they tend to find it hard to properly manage their finances, and inevitably bog down against the pressure. Cash flow shortages are one of the most common reasons for new business failures is cash flow management. It is therefore imperative to ensure the healthy flow of the bloodline of the company for its existence.

Safeguard Your Business

Managing the unexpected is given but some circumstances could be beyond your control that will disrupt your business operations in ways you may not have been prepared for such as loss or damage of goods at warehouse or in-transit, machinery or equipment breakdown, staff-at-work injury, fire and so on. Fortunately, there are available insurance policies for such consideration. There is a relatively affordable and easy way to safeguard your business through Allianz Smart SME. For more details, click [here](#).