

The conflict of being an entrepreneur in South Africa

 By [Allison Ross](#)

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My son recently acquired his driver's license after numerous lessons, countless hours of supervised practice and one mildly traumatic failed attempt. Although costly and stressful for both son and parents, we're now relatively confident in his ability to be let loose on the road.

Now imagine an alternative world in which we're all automatically eligible for a driver's license and only have to start taking lessons once we've proven we're not ready for the road, possibly after one accident too many. It sounds quite ridiculous, doesn't it?

Yet this describes entrepreneurship in South Africa to the tee: Anyone can start a business - be it a manufacturing concern, advertising agency, marketing agency, restaurant... whatever... and only once we've proven we're unable to make a success of it are we really forced to learn.

Sadly, by then we've probably depleted all our financial resources and exhausted the patience and goodwill of friends and family. Applying the lessons learnt is too little too late and there's no option but to dust off our CV's and hit the job market with our tails between our legs.

Don't we need to change our approach to entrepreneurship?

The truth is that many South Africans resorting to entrepreneurship for their livelihood simply don't have the necessary knowledge, skills and tools to make a success of it.

Government- and privately-sponsored programmes attempt to bridge this gap by providing education, funding and mentorship to entrepreneurs who show promise. However, the statistic that 95% of small businesses fail within the first year still lingers. And according to the [GEM 2011 report](#) South Africa's total early-stage entrepreneurial activities remains "far below the average of comparable economies around the world".

Isn't this proof enough that perhaps the way we approach entrepreneurship in South Africa needs to change?

Perhaps the answer we seek is that *95% of small businesses shouldn't be allowed to start in the first place*. Perhaps the label of "business owner" shouldn't be as simple as registering a business, buying a domain, or providing a product or service in exchange for money.

Why not a test?

Perhaps there should be a stringent K53-like approach to ascertaining whether entrepreneurs are, in fact, ready to cross the bridge to business owner. This would certainly spare both the economy and the entrepreneur the financial and emotional drain of running a business that could be doomed for failure before it's even begun.

If you're an entrepreneur about to start a business, an easy way of avoiding failure is to do your homework... Be honest about your skills (and the lack of it!) and realistic about what your business can or can't achieve; admit that you don't know everything because you're not expected to know it all; don't be afraid to find out for sure if your business idea is feasible before plunging along purely on faith.

Moreover, speak to those who have walked the path before you. Listen to those who have succeeded but listen even more attentively to those who have failed because there is value in numbers. When learning how NOT to run a business, 95% of small business owners can't be wrong.

ABOUT ALLISON ROSS

Allison Ross is the owner of Allison Ross Consulting (www.allisonross.co.za), a business aimed at making marketing easy to access, understand and apply. As an entrepreneur in South Africa, she understands first-hand the challenges we face when making the transition from entrepreneur to business owner.

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