

Value based management

[Business](#), [Management](#)



Nigeria, in global perspective, is faced with many threats. Firstly, there exist countless competitors to the Nigerian industries which are still weak on global platform. The Nigerian companies do not have much capital to invest, are short of material resources and have low standards of products and services. They are not equipped with advanced machinery, newer and innovative production methods and educated and skilled labor. Thus, most of them almost fail when going on international platforms. For example, there are no big Nigerian companies in United States; they are either at the level of fringe stores or the home businesses.

This is because of various factors. Nigeria is not counted as the key market in many foreign countries. Moreover, Nigeria consists of people belonging to different cultures, communities and civilization who come from different backgrounds and languages. They are not able to understand and analyze the needs and wants of a luxurious European society. The Nigerian companies do not have access to extensive allocation of financial resources on Research and Development programs. Moreover, they may lack funds to enter into new market segment, geographic segment or new product modifications in order to cope up with the threatening competition.

Thus, they will have to incur large production costs and costs of doing business if they want to go global. As an ultimate, they will have to forgo the economies of scale and any other incentives attached with going global concept. Threats Increasing crimes, frauds, scams and corruption Threat of import substitution effect to the local markets Increasing competitors in the local markets and tougher competition globally Lack of funds, higher costs of

doing business, higher opportunity costs and lower economies of scale while opting for globalization

Conclusion

Nigeria is the largest economy and second largest democratic state. It is one of the N-11 countries and a member of Commonwealth. The country is rich in oil resources and is the 8th largest producer of petroleum in the world. It possesses great potential of becoming the world's largest economy by exploiting the unexploited resources and undertaking the ignored business ventures. However, the country has, unfortunately, become a victim to the mismanagement, corruption, inadequate and dysfunctional infrastructure, weak leadership and lack of cohesion.

There are more risks of doing business in Nigerian country than chances of succeeding as an entrepreneur. Even if the Nigerian company goes global, it may not be recognized for its products and services except for its oil and gas sector.

References

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