

Influence of Uncertain Business Environment on Entrepreneurship Decision Making In Nigeria

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Abstract

Influence of uncertain business environment on entrepreneurship decision making is theoretical in nature. The paper pose that the business environment is full of challenges, these challenges are referred to as business variables, these variables are divided into two: controllable variables and uncontrollable variables, an entrepreneur must try in as much as possible to diagnose this uncertain business environment before investing the scarce resources. The paper has the following objectives: To determine the impact of environment on business decision, to evaluate the risk associated to investment opportunity and to examine the factors that can hindered the prospects of business in an environment. These factors could be technology, economic system, legal, competitors, and manpower etc. the paper also look at selected areas for examination such as: concept of business, concept of entrepreneurship, characteristics of business, decision making process, types decision, identification of business ventures, product life cycle, entrepreneurship and environmental scanning, SWOT analysis, plant location and layout decision. The study is significant because it has contributed to the body of knowledge, prospective entrepreneurs will also find the article useful as a guide to further study in the field of entrepreneurship, students, individual researcher will also find the articles useful, the paper has equally helped to understand the implication of investing in an uncertain business environment in Nigeria. It is not as a result of expansion or capital, but it is traceable to inability of an entrepreneur to analyzed business environment before investing the scarce resources. This paper has equal spell out step by step that entrepreneur need to follows in order to judiciously invest these scarce resources. The paper contains about 28 pages includes references. Such as title, introduction, abstract, objectives, significance, major topics on the influence of uncertain business environment on entrepreneurship decision making, summary, conclusion and recommendations

Keywords: Uncertainty, Business Environment, Entrepreneurship, Decision-Making, SWOT Analysis

INTRODUCTION.

Nigeria is a developing economy yearning (or the transformation of its natural resources. The economy is blessed with abundant natural and human resources. The dynamic tool for stimulating and reengineering our development process is the establishments of different forms of business enterprises that will help the country emerge as an industrial giant. In other words: business can play a major role in the transformation process through an industrial evolution to be pioneered by the entrepreneurs. This can't be possible without an entrepreneur taking a look at the uncertain situation of the business environment, in order to judiciously invest available resources to make profit that will sustain the business and its owner. This is because an uncertain business environment-can put a threat to survival of a business. Business environment can therefore be described as the environment of the business. The environment of a business is characterized by many variables which could be controllable or uncontrollable variables. It is therefore, the responsibility of an entrepreneur to understand how to manage these variables. An entrepreneur needs the knowledge of these variables to take business decisions. The most critical parts of business ventures are decision making. Once a wrong decision is taking it takes the grace God to survive the venture. It is therefore imperative for an entrepreneur to take a calculative risk why venturing into a business. Omoluabi, 2014.

The purpose of this paper is to defined and described procedures which are involved in making logical decision as entrepreneurs (as defined shortly) at a higher level organizations. The emphasis will be on the forward looking planning type of decision with senior manager is chiefly concerned. Broadly, most organizations may be seen to operate at three levels. The highest of these is necessarily the corporation level and the lowest and the operational or tactical level. The area between the two may be described as the sub—corporate level.

Decisions at the operational level are often taken in some isolation, in the sense that it may be acknowledged that action based on the decision will have implications in other part of the business organization. The effects may not be significant. Also, decisions are often concerned with the reallocation of existing resources and as such are not part of all planning procedure. For example, many techniques have been fund to be of value at the operational level to dissolve problems of stock and production control, distribution, promotional effectiveness and so on. In fact, some of tile techniques which have been developed to aid decision making at the

lower level will be used in this paper, but in a different context.

It might be thought that the complexity of a decision (implying the amount of detail involved) would be related to its importance and would increase the higher level at which it is made. At the present time this is not necessarily true. As whether the organization be a company, a public body, or a national economy the stage is only just being reached when corporate decision may be in any sense be described as logical.

OBJECTIVES OF THE STUDY

The paper urges us on the influence of uncertainty business environment on entrepreneurship decision making, the subsequent objective are:

- i. To determine the impact of environment on business decision.
- ii. To evaluate the risk associated to investment opportunity and
- iii. To examine the factors that can hinder the prospects of a business in an environment.

SIGNIFICANT OF THE STUDY

The significant of the study cannot be over emphasizes reason that the paper has contributed greatly to all prospective entrepreneur, business managers, students of entrepreneurship studies, individual researcher in the field of entrepreneurship development. The paper has also helped us to understand the implication of investing in an uncertain business environment, also how to go about taking decision that will lead to the growth and development of business in Nigeria. With this paper, researcher in the field of entrepreneurship will not take irrational decision and more before decision is taking and implemented, an entrepreneur must be able to diagnose the pro and con arranging the environment for investment opportunities.

CONCEPT OF BUSINESS

The term business is differently perceived. Some see it as the Act of buying and selling of goods and services. Others describe as an economic activity. Yet, others say it is an organization that makes profit. The economist is likely of conceptualize any exchange transaction that produces profit as a business. However in a more technical sense, business has been various defined. In our context, a business could be seen as all legal, profit- directed, economic and commercial activities that provide goods and services necessary to a nation's standard of living. A critical examination of the above definition will focus on profit directed, economic activity, commercial activity, goods and services and standard of living (Koontz, O' donnel Weihrch, 2000).

The major aim of any business is to make profit though it may have other objectives. A business enterprise is expected to be self-sustaining. It can only sustain itself, if it makes profit. Profit is excess of revenue over expenditure. A business enterprise is not a charitable organization like a motheress babies home, which survives on donation from public-spiritual individuals. For any person going into business venture, the major attraction and motivation force is profit making. Without the profit, 'the business will not meet its obligations to its employees and will not survive let alone grow through expansion. Again, a business enterprise carries on economic activity by creating and distributing goods and services to satisfy human want. It is also business which allocates scarce resources to the most profitable venture. This means that when faced with scarce resources at its disposal, and with two or more alternative lines of business to venture into, it is the responsibility of a business enterprise to channel its scarce resources into more profitable alternative. Indeed, the economic activity of a business enterprise include managing its resources to meet the desire of people (Nwachukwu, 2006)

However, commercial activity involves buying, selling and the distribution of goods and services. When a business is not creating goods, it is buying and selling or distributing wants satisfying goods to those who are willing to pay for them. Goods are tangible products with chemical and physical attributes which can be seen and touched, e.g. pen, cloth, shoe, car, book, etc. service are intangible products that cannot be seen and touched, e.g., services of a lecturer, doctor, and lawyer. It is business, which makes it possible for goods and services to be provided for the people. The creation of goods and services helps to improve the standard of living of the people. Standard of living is therefore, the quality of life of the people; or the well being of the people. To maintain good quality of life, business provides the wants and needs of people. The more the goods and service are provided with ease, the higher the standard of living of the people. To maintain acceptable standard of living for the people, business enterprise, through its economic and commercial activities, provides goods and services at a profit by the people (Nwachukwu, 2006).

CHARACTERISTICS OF BUSINESS

Experience has shown that not all organizations that produce goods and services are business organizations. To qualify as a business organization, must possess all the following characteristics.

- It must be legal: the activities the business engages in must be permitted to be in existence by the laws of the land. Any activity or group of activities not recognized or legitimized by law cannot be described as business. For instance, advanced free fraud known in common parlance as 419. Though may bring

- money to the fraudster(s), but is cannot be described as business (Koontz et al, 2006).
- It must be profit- oriented: any business should aim at making profit. Profit may be defined as the excess of revenue over cost and serves different purposes. Fundamentally, a business needs to make profit for profit provides capital for further investment, and by. Extension, tomorrow's jobs. Additionally, profit pays for the economic satisfaction and services of a society, provides basis for measuring performance just as it is a premium for the risk of uncertainty. Thus, churches, mosques and other philanthropic organizations whose aim is not to make profit cannot be described as business (Koontz et al, 2006).
 - It should be involved in the production of goods and services that satisfy human wants: that is to say that any business should produce goods and services that is capable of satisfying the needs and wants of humankind.
 - Exchange must be involved: the goods and service produced must be for sale and not for use, that is to say, that exchange must be involved to that extent, the hunter or fisherman that consumes all the meat or fish he produces cannot be said to be into business.
 - Risk of operations: anyone who owns a business, risks his time, money and effort. This risk is recognized and accepted as latent ingredient in operating a business. It includes ultimate risk of complete failure in which owners may loose their entire investment (Nwachukwu, 2006).

CONCEPT OF ENTREPRENEURSHIP

Richard Cantillon in the early eighteenth century first identified and associated entrepreneurship with function of risk bearing. He carved the concept "entrepreneur", and postulated that the entrepreneur buys factor services at "certain" prices with a view to selling their product at "uncertain prices in the future. He thus defined the entrepreneur by a unique constructive function: the bearing of non-insurable risks. Say (1800) describes the entrepreneurial function in a much wider scope, emphasizing the effective combination of the factors of production and the provision of continuing management, as well as risk bearing. He concludes that an entrepreneur shifts economic resources out of an area of lower an area of higher productivity and greater yield. Schumpeter (1911) is the first scholar to put human agent at the centre of the process of economic developments. Hence, for most of his life, business leader is engaged, in entrepreneurial "managerial" activities. This contrast with the less narrowly defined and empirical conceptualization of entrepreneurship employed by other scholars. They broadly identify the entrepreneur with the modern industrial business management. Morrison (1973) defines the entrepreneur as the owner manager of a business". It can be deduced from this definition that an entrepreneur is an independent business man the owner and manager of a private business organization operated for the primary purpose of wealth maximization. He is his own boss, having complete or effective control of his business and employing people to produce goods or services. It does not, however, men that entrepreneurial organizations are one man organizations only entrepreneurial organizations could be in the form of partnership and limited liability companies.

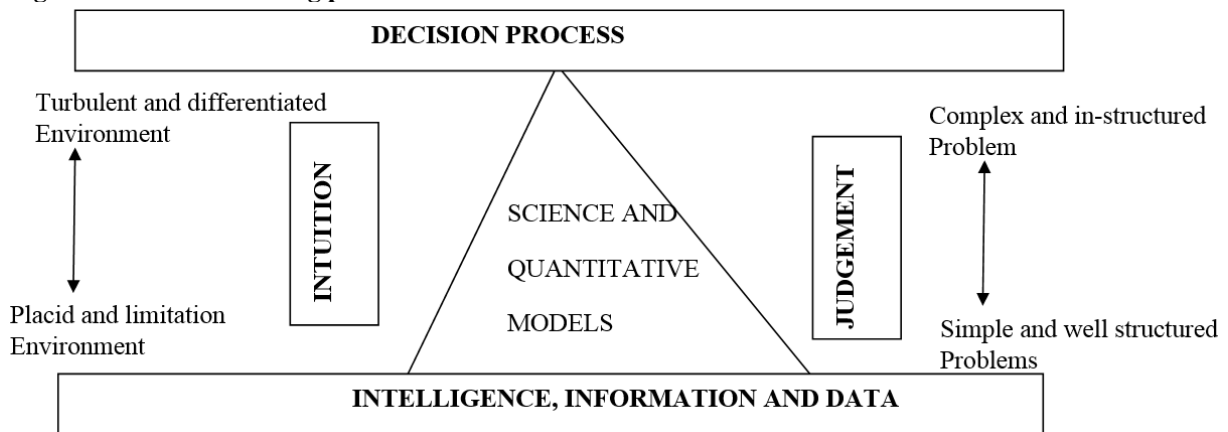
The entrepreneur is, therefore, an individual who has the zeal and ability to find and evaluate venture opportunities, gather necessary resource, take sequential and systematic steps towards utilizing the advantages of such opportunities. Entrepreneurs are calculated risk takers. They enjoy the excitement of a challenge but may not necessarily gamble. The entrepreneur would avoid low risk situations because such situations do not afford any challenge. High risk situations are also unacceptable because of a desire to succeed situations that provide achievable challenges are preferred.

Schumpeter (1911) concludes that everyone is an entrepreneur only when he actually carries out new combinations and loses that character as soon as he has built his business venture.

DECISION MAKING PROCESS

Loomba has aptly illustrated the symbolic relationship among definition, judgment, science. Qualitative attitudes, practices, and methods. Figure 1.1 illustrate how the decision making, process is supportably a combination of qualitative and quantitative factors. The higher the degree of complexity and the degree of turbulence in the business environment, the greater is the potential of the qualitative approach to entrepreneurship managers in decision making. On the other hand, the lower the degree of complexity of turbulence in the environment (that is when the environment is characterized by simple and well—structured problems). The more compelling the use of the quantitative approach to the business managers.

Figure 1.1 Decision making process



Symbiotic Relationship between Quantitative Thinking and Quantitative Models.

Source: N. PA LODMBA: *Management: A quantitative perspective* Newyork, Macmillan publishing Co. international. 1996 p.

As a means of handling and analyzing information improve high level decision will be able to take all relevant detail into account, but inevitably aggregation will continue to be necessary at this level to prevent decision makers being submerged in detail. These remain the sub-corporate means into which the numerate analysis is penetrating and in which decision influence significantly other activities within the organization. It is quite possible that logical decision making will be applied here after it has been adopted at both the corporate and operational levels. For it likely those in many instances senior management will accept the potential of appropriate dualistically procedure at the corporate level and not wish to wait for the dual classes of lengthy “bottom-up” process in which on analytical brick is placed upon another.

Figure 1.2 Decision outcome relationships

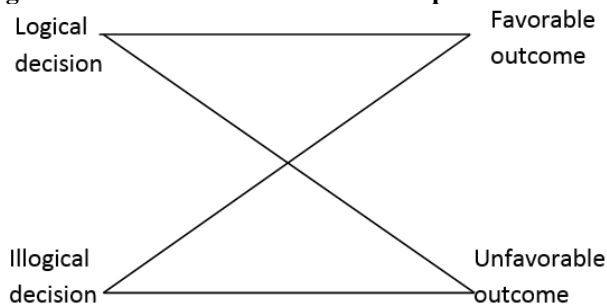


Fig.1: Decision outcome relationship

Source: K. Howard: *quantitative analysis for planning decisions film sets by key spools limited, Golborne, lanes, printed by Tinling (1973) pp.2*

Before proceeding to a study of procedures and techniques on which logical decisions are based, some thoughts must be given to the nature and consequences of decisions themselves, the prime responsibility which a manager must be prepared to accept is decision making. If in general the outcomes of decision which he takes are favorable to the organization by which he is employed the ultimate become tenable. The decision outcome relationship may be unrealistic or may not be summarized by the manager.

RISK AND UNCERTAINTY

To every large degree the future is unpredictable. High level decision involving perhaps the major portion of an organization asset must be made against this background. It is necessary at the outset to consider the implications of making decisions when no specific outcome can be guaranteed. An entrepreneur must not jock with this aspect of business management. If the business must make profit and continue to survive.

UNCERTAINTY:

A situation in which the state of an individual entrepreneur or organization is subject to change, as a result of which more than one possible outcome may arise.

RISK: This acknowledge the fact that the state of an individual entrepreneur or organization measured by any criterion may become relatively less accepted due to the occurrence of a particular outcome. It is important to note that in defining risk reference is made to outcomes with those outcomes which are, positively unfavorable,

such as the occurrence of a loss. Favorable outcomes of differing degree must be compared and the estimated worth of alternative outcomes must be taking into consideration of the entrepreneur while making decision.

THE BASES OF DECISION MAKING

On what bases are decisions being taken in business organization? One classification would list those which claimed to be logical and those which appear illogical. It is not necessarily true. However, that these two categories should be described as mutually exclusive. In fact, the vast majority of planning decisions which are taken are a mixture of the logical and illogical. In many instances, the illogical position may be due to an unwillingness to commit additional expenditure for further analysis.

LOGICAL DECISION: A decision is which is taken utilizing all known and relevant methods of analysis and interpretation, up to the point when it is concluded that the extra expenditure incurred in making the analysis not justified in terms of the increase obtained in the discriminatory power of the decision.

GROW OR NOT TO GROW DECISION

There is an implicit assumption that anyone who starts a business will also want to grow it. Yet we know that there are countless people who deliberately start what we choose to call lifestyle ventures those where self-employment or low employment is the primary aim. Despite this, we constantly hear politicians across the world using the immortal phrase. If every small business would employ just one more person, our unemployment problems would be solved. Suffice to say, this is a little naïve certain these same politicians do not appear to hear the silent response of “why should I?” This is a powerful question and one that is important to pass and to understand especially as we consider in the existence of an entrepreneur as an investor. The decisions to grow or not to grow become a personal responsible to decide. If the venture must continue to making profit for sustainability and development.

MARKET OPPORTUNITY DECISION

The key to entrepreneurship is the ability to spotting the market opportunity, or ability to identify pursues and captures the value from business opportunities. Entrepreneurs exist to pursue opportunity.

ENTREPRENEURSHIP DECISION MAKING PROCESS

An entrepreneur has been described as people ‘who have the ability to see and evaluate business opportunities, gather the appropriate resources to take advantage of them and initiate risk-taker. A man or woman who bears uncertainty, strikes put on his or her own and through nature with devotion, to duty and singleness of purpose, someone who create a business and industrial activity where none existed before.

If the above statement qualifies individual as an entrepreneur, then he/she must be careful in making choice or opportunity in business. No matter the quality or individual entrepreneur: if such persons lack decision making ability, he cannot achieve his desire in the venture. This is why the subject of decision making is a paramount important to an entrepreneur.

DECISION MAKING PROCESS

To arrive at the decision making process, the information produced by the management has to be considered under the following sequel.

(1) Identification of business venture (2) Search for alternative course of action (3) Gathering of data about the alternative available (4) Selecting appropriate alternative course of action (5) Implementation of the decisions (6) Comparing actual and planned outcomes (7) Responding to divergences from plan.

IDENTIFICATION OF BUSINESS VENTURE:

To enable management make any meaningful decision in the choice or business venture, they would first of all specify the goals or objective of the organization. Though, considerate controversy exists to what the objective of the firms should be. Economic theory normally seeks to maximize profits for the owners of the business or more precisely the maximization of shareholders wealth. There are a lot of arguments over this profit maximization objective.

There is the legal argument which says that ordinary shareholders are the owners of the firm or business which therefore should be run for their benefit trustee managers. Another argument states that profit maximization leads to the maximization of overall economic welfare. This is by doing the best for yourself you are unconsciously doing the best for the society. It seems a reasonable belief that the interest of firms will be better served by a large profit than by the smaller profit. Some writers (e.g) Simon, 1959) believe that business Men are content to find a plan that provides satisfactory profit cyber and March (1969) have argued that the firm is a coalition of various different groups shareholders, employees, customers, suppliers and the government

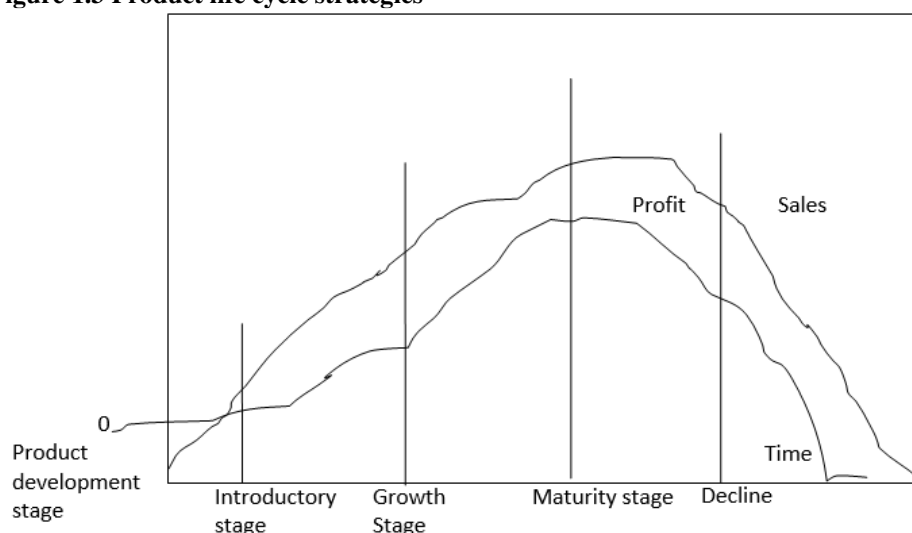
assets of whom must be paid minimum to participate in the coalition. Any excess benefits after meeting these minimum constraints are seen as being the objective of bargaining between the labour groups. Clearly, it is simplistic to say that the only objective of a business firms is to maximize profits.

SEARCHING FOR THE ALTERNATIVE COURSE OF ACTION:

Another stage in the decision making model is searching for a range of possible courses of action. That might enable the objectives to be achieved. Assuming the management of Highjoy Industrial Plant PLC concentrate entirely on it present product range and products. And the market share and cash flows are allowed to decline, there is a danger that the company will be unable to forecast significant cash flows to survive in the future. To maintain future cash flows, it would be very pertinent to map out potential opportunities and threats in its current business environment as well as the necessary steps to take immediately so that the business organization will not strategically be taken by surprise. That is a business manager should be able to keep strategizing in order not to be outsmarted by its competitors in the same line of business. Such a company or business could consider more courses of action in the process of business development.

- (a) Developing new products for sale in existing market through product life cycle which will go through about five (5) stages. These are: product development stage, the introductory stage, Growth, Maturity, and declining below is the diagram showing the product life cycle.

Figure 1.3 Product life cycle strategies



During the introductory stage, the market for the product is developing, production and distribution costs are very high and competition is generally host a problem. During this phase the primary strategy concern is to apply the experiences of the market place and of manufacturing to improve the product and marketing functions. At this time, serious design flow should be revealed and corrected. An entrepreneur should be able to know how to manage each of these stages in order to gain the highest percentage of market share. The growth stage period sees the beginning of competition. The primary strategic goal during this period is to establish the product as firmly as possible in the market place. To do this, the entrepreneur should consider alternative pricing patterns that suit their various customer classes and should reinforce brand preference among suppliers and customers. The manufacturing process should be undergoing improvements and standardization as product volume in creaks. Flexibility and modification of the manufacturing function are highly desirable at this stage.

During the maturity or maturation stage of the product life cycle, the objective should be to maintain and improve the brand loyalty that the firm cultivated in the growth phase. Management should seek to increase market share through competitive pricing. Cost saving should be realized through improved production control and Product distribution. During this stage, the firm must listen to the messages of the market place. Most problems with product design and quality should have been corrected during the start—up and growth phases. Hut additional improvements should also he considered during this phase.

SELECTING APPROPRIATE COURSES OF ACTION

Periodically it is very pertinent to review and know the best option to take that will help to maximize profit. Since the primary objective of any business is profit making to keep the business growth (The GOING CONCERN PRINCIPLES of ACCOUNTING) When selecting the options and choosing the best that will yield result while in business. (Omoluabi, 2013)

DECISION IMPLEMENTATION

Once the alternative courses of action have been selected, there should be immediate implementation to check the profitability index of the option if not revise the alternative. The management decisions made are implemented in the financial plan of the time which expresses the cash inflows and cash outflows, sales revenue and expenses.

GATHERING OF DATA ABOUT ALTERNATIVE OPPORTUNITIES

It is the responsibility of the entrepreneur to generate the necessary data to build the availability opportunities. That is looking at the potential areas that can be exploiting taking decision on the best strategy that cannot be outsmarted by the competitors. This can only be done after analyzing the various opportunities and threat. (SWOT) and internal and external environmental locus that can affect the success of the business. All this is a function of decision making by the entrepreneur. Also, you need to view the prices of other products in comparison? Or how high or lower from other competitors. Through carefully selection of data can help for the growth and development in the business venture.

The appropriate shape of the product life cycle curve in the final stage depends on the nature of the product. Many products will continue to sell, with the potential for annual growth continuing almost indefinitely. Examples of such products are commodities such as household goods, processed food, automobiles and so on. For such products is the company's primary. This phase would be essentially the same as those described above for the maturation stage. Other products will experience a natural decline in sales volume as the market for the product becomes saturated or as the product becomes obsolete. If this is the case, the company should adopt a strategic squeezing out the most from the product or product line while minimizing investment in new manufacturing technology and media advertising. Although, a useful concept, the product life-cycle curve is not accurate in all circumstance. Marketing departments that base their strategies on the life-cycle curve may make poor decisions. Dhalk and Yuspeh (1976) report an example of a firm that shifted advertising dollars from a successful stable product to a new product.

The assumption was that the new product was entering the growth phase of its life cycle and the stable product as entering the declining phase of its life cycle. However, the new product never gained consumer acceptance, and because of a drop in the advertising budget the sales of the stable product went into a decline and never recovered. They suggest that in some circumstance it is more effective to.

COMPARING ACTUAL AND PLANNED OUTCOMES DECISION

At this stage of decision making an entrepreneur should be able to carry out comparison between the actual and planned outcomes this will proof the visibility of the business. If the actual is lower than the planned outcomes, the manager should take a decision of changing the course of action alternative choice is unfavorable but if on the other hand. The planned outcome is higher than the actual at the stage of the decision, manager should know that it is favorable and should continue in that same line or product and maintain the decision of implementing it.

Why is it necessary for a manager to think before making any decision? What is the implication for making a wrong decision in business? Why is decision making process? Product life cycle, & its implications.

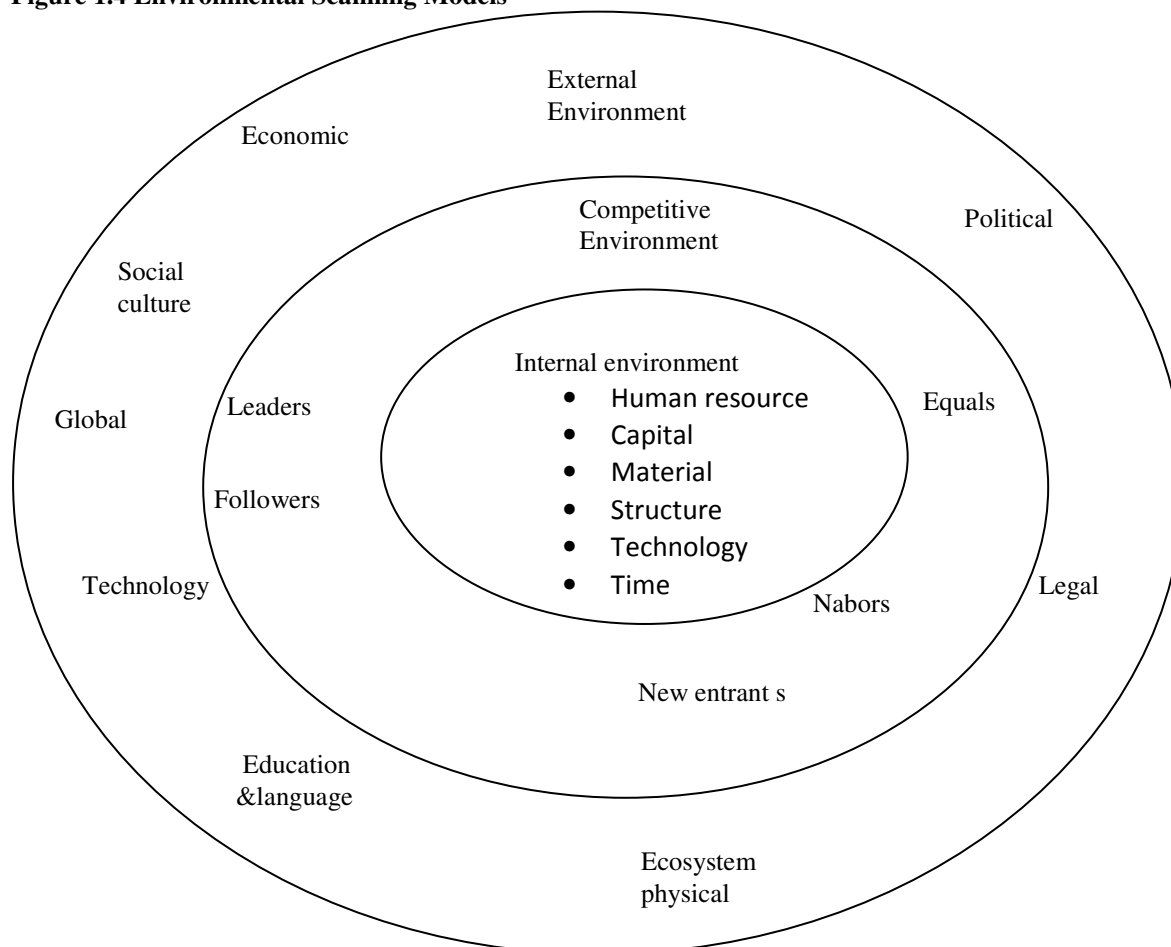
ENTREPRENEURSHIP AND ITS ENVIRONMENTAL DECISION.

Business environment can be defined as the environment of the business. Omoluabi, 2013. It is very correct that business cannot succeed in a vacuum. That is, for individual entrepreneur to be heard and seen in his or her business he must locate an environment where the business can grow and flourish. The environment of business is made up of internal and external that an entrepreneur must be able to content with if he must remain in the business. This environment is divided into two diagrammatically.

ENTREPRENEURSHIP AND ENVIRONMENTAL SCANNING

The environmental scanning process in strategies management thinking and action can be represents by the following diagram

Figure 1.4 Environmental Scanning Models



Source: O. Onah, Empowering small and medium enterprises in Nigeria published by Ecc ima/ manmark associate Ltd pp.49.

As a tool of strategic thinking and management environmental scanning can be defined as the regular and systematic collection, collation, analysis and packaging all data and introduction vital to the operation of a business enterprise and the presentation of all the data information to the management team to guide business decisions and action. These information are usually collected from the company's three major operational environment namely: the internal competitive and external environments which are presented in figure.... Above all the elements in these three business enterprise in today's national and global economies. They might therefore, be regularly monitored and managed well to avoid business failure and to enhance business enterprises survival and growth (Nwogu, 2003).

The comprehensive and convenient tool for analyzing the data and information collection in environmental scanning is the SWOT analytical tool: S – Strength W- Weakness O- Opportunities T- Threats

In other words, appropriate combination the environmental and SWOT analytical tools will helps our small and medium enterprises to always identify their strengths and put them to maximum use in a competitive business environment; identify their weakness and know how to overcome and manage them for business survival, identify their opportunities and know how to exploit them maximally for business success; and identify their threats to know how to avoid them or manage them negative consequences, for those that cannot be avoided.

In some business situations, it is advisable to used the reverse form of the swot analytical model or tool which is known as the TOWS model, with the letter still remaining what they mean in the SWOT model.

According to Omoluabi 2013” He said business environment is the environment of the business. The above diagrams clearly spell out the two types of the business environment. These are the internal and the external environment. The internal environment is made up of the personnel managers, Sale men, employees, marketing executive and management team etc.

The internal factors are controllable variables, this is because they are under the control of the business firm of which the staff can be sacked if misbehaved. They are within the reach of the management. They can be dictated to because they are employed by the organization. (Omoluabi. 2013) for example a faculty staff in

Landmark University cannot dictate to the office of the registrar, or the vice-chancellor why? This is because every faculty staff carries the registrar's signature on his or her identity card as such he or she is subject to the decision of the university). E.g. Lecturers. Principal Officers e.t.c. (Omoluabi, 20 13).

EXTERNAL ENVIRONMENT (uncontrollable variables)

The external environment of a business is made up of the legal, economic, political system. Competitors, whether. Technology and power etc. An entrepreneur must be able to withstand the challenges of the above variables. (These variables are uncontrollable) reasons that they are in existence before the commencement of the business.

LAWS AND REGULATIONS

The Nigeria government policies both impose strategic constraints and provide opportunities. The government policies and international trade rulings. One example of restraint on business action is the band on the importation of fairly used electronics e.g. Refrigerator, pressing iron. Radios. Etc. In the consumable industries NAFDAC is established for the same purpose to check the standard and quality of all the consumables. Therefore, entrepreneur must go into the type of business that will be allowed by laws of Nigeria business.

Technology: The individual must be able to compete' with the latest technology in production or manufacturing of goods or services. I want to believe that nowadays, no business man will be willing to bank his money with any bank that is still using type writer to enter client's data or information. Everybody is after the latest technology to operate business. Therefore, entrepreneur should consider the technology' that will chance production and be able to meet with the demand.

The political system has to be properly checked, the economic system whether and power supply e.t.c. presently, Nigeria manufacturers prefer going to Ghana for production because of Ghana steady supply of power. Is that Nigeria Government has no electricity strength? Summary on the entrepreneurship and its environmental decision. Entrepreneurship shoulders the responsibility of checking or analyzing the environment before committing the scarce resources. The area to analyze is the uncontrollable variables which are the technology, competitor, legal, economic, whether and political. Why these factors need to be analyzed it is because businessmen cannot do without these factors they are part of the business environment which they cannot do without. Take look at the competitors, a business must compete with another business especially if is the same line. The strategies to outsmart other businesses could be price reduction, well packaged products; branding, aggressive advertising e.t.c. a business must operate within the legal permit type of business. Also, check the political system is it free from of (gboko- haram)? can the business be free from treating politically? Entrepreneur must take cognizance of those factors. The internal variable has no much problem because they can be fired or sacked and replaced by another employee. So there is no much problem in the case of internal variables or factors. (Omoluabis, 2013). A right decision must be taking by the entrepreneur.

PLANT LOCATION AND LAYOUT DECISION

Basic Concepts

Plant location and layout represent two other decisions of strategic concern to production, management. Guide lines for arriving at the relevant decisions are offered in this write up.

Location is the physical positioning or geographical state of facilities, it must be determined by the organization example: a company that relies heavily on rail roads for transportation needs to be located close to rail facilities. Different organization in the same industry may have different facilities requirement.

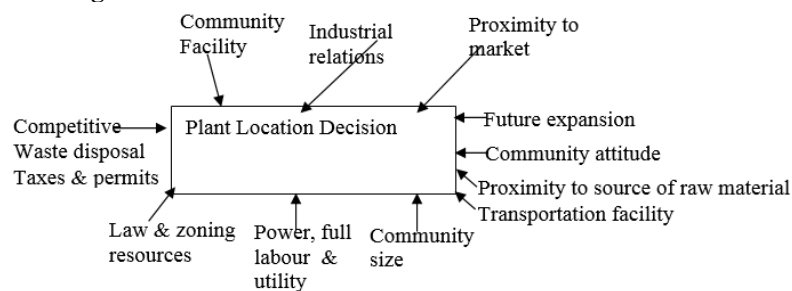
The facilities layout problem

Determining the best layout for a facility is a classical industrial engineering problem. Early industrial engineers are often known as efficiency experts and were interested in determining layout to optimize some measure of production efficiency. However, lay out problems occur in many environments outside the plant. Some of these include:(1) Hospital (2) Warehouses (3) Schools (4) Offices (5) Work stations(6) Banks (7) Shopping centre (8) Airports and (9) Industrial Plants.

Factors affecting the location Decision

The idea location is described as one where the unit costs of manufacturing and distribution are at the minimum and where prices are volume of sales will generate maximum profit. The various factors, tangible and intangible or quantifiable and unquantifiable, affecting the location decision

Figure 1.5 Factors Affecting Location Decision.



Proximity to sources of raw material is important to the entrepreneur in the quest for production of goods or services. It will help to enhance production process to finish goods.

In decision making, an entrepreneur should take a look at the above diagram and see that he can manage these factors in making choice of plant location decision.,

Source: Nathaniel C; production management precision publication limited, Enugu, Nigeria Pp. 14.

SUMMARY

The paper looks at the influence of uncertain business environment on entrepreneurship decision making. The researcher was able to look at implication of uncertain business environment that is not certain, if start to face unnecessary challenges of failure in the process of operation. The paper covers various areas on the topic such as: the concept of business, entrepreneurship, characteristics of business, risk and uncertainty, uncertainty, bases for decision making, decision makes process, identification of business opportunities, product life cycle, entrepreneurship and its environment, environmental model, controllable and uncontrollable variables of a business, plant location layout. It is recommended that entrepreneur should try to see that environment of business is by the evidence of managing the controllable and controllable variables and that uncertainty in business environment cannot be completely ruled out in a business and will not be build him/her for future growth and development.

CONCLUSIONS AND RECOMMENDATION

Business managers must make decisions in an ever changing environment. They are confronted daily with uncertainties from various forces in business environment. Managers must choose investment programs, set price for their products, or design advertising programs in spite of these uncertainties. Some of the uncertain forces or uncontrollable variables as they are called are raising inflation, demographic shifts. The changing role of women, and the consumer movement. Business firms have no control over these economic and social forces; all they can do is to adjust their business strategies in response to them. (William, 2012) the paper has exposed us to the Fortier of business knowledge in investment opportunity which an entrepreneur must do whatever it takes to study the environment before taking decision on whether to invest or no to invest the scarce resources. Therefore, uncertain business environment is never advisable for any prospective entrepreneur to invest. The most crucial aspects of business is decision making no business will ever commence operation without putting those factors into consideration. Hence, it therefore recommended that every entrepreneur should be able to carry out a proper study of the environment and take appropriate decision before investment.

RECOMMENDATIONS

It is recommended that entrepreneur should always cope with the changing environment of the business. He should be able to cope with risk involved in any business line, for without risk no prospects in any business. The life people leave today is a function of risk taking, whoever that is afraid of taking risk, does not fit to be an entrepreneur. The emphasis here is that entrepreneur should observed the degree of risk associated with a business line and take appropriate decision that will help the growth and development of the business and the economy at large.

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