Managing Turbulent Business Environments in Nigeria: A Model Approach

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Author’s contribution

The sole author designed, analyzed, interpreted and prepared the manuscript.

Article Information

DOI: 10.9734/JESBS/2019/v29i330111

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Complete Peer review History: http://www.sdiarticle3.com/review-history/22092

Received 02 September 2015
Accepted 24 November 2015
Published 04 April 2019

Original Research Article

ABSTRACT

The thrust of the study is to examine the nature, character and constraints the Nigerian business environment poses to enterprises operating in it with a view to proffering solutions strategies on how to overcome environmental turbulence within the economy. Methodologically the study adopts an analytical and qualitative approach by perusing extant literature on the nature and types of environmental forces at issue in the economy. The J.D. Thompson model was adopted to drive the study and its components which exist in four-quadrants were used for analysis with regards to enterprises operating in various industries in the environment. Each quadrant aligns with specific environment type and pinpoints exact techniques to adopt as solution-strategies in coping with the environment for survival. In addition to the model, a template of strategic marketing plan was adopted as a programme and roadmap which enterprises in the environment can adopt to help them analyse and diagnose their target markets to reveal its true nature and potentials for effective targeting. Recommendations made are to the effect that enterprises in this increasingly turbulent and insecure environment should adopt a combinational approach instead of a ‘one-best strategy’ for survival. This is in addition to employing smarter environmental scanning techniques. It is further suggested that enterprises should establish R&D and intelligence gathering units and the creation of an MIS infrastructure to help it track essential and diverse sets of information if they ever hope to survive and succeed.
Keywords: Environmental challenges; environmental factors; strategic marketing plan; environmental analysis; competitive manoeuvres; policy initiatives.

1. INTRODUCTION

The environment, its nature and character has been known to shape competitive strategies [1]. Most policies of enterprises often point the competitive direction to follow in a bid to survive in a given industry [2,3]. It is therefore trite that enterprises are in a continuous state of policies and strategy formulation, strategy review, implementation and strategy monitoring with the objective of steadying the ship of the enterprise to ensure safe arrival or berthing [4,5]. As enterprises individually attempt to craft strategies and techniques to ensure success, rivals are daily plotting to undo, outdo and even expel certain firms from the scene by means of unhealthy competition, forced mergers and even takeovers [6,3].

This is the nature and character of competition. Some writers refer to these endless manoeuvres as ‘a bloodless war’ reminiscent of the cold war years between Europe and USA on the one hand and former USSR and its allies on the other.

As environments provide space for warfare so also does it provide space of enterprises and their struggle to succeed. The Nigerian environment in recent times is increasingly showing harsher signs of constraints – it is tending towards suffocating enterprises operation in it. Apart from the challenge of grappling with the internal forces (unions, suppliers, staff, etc) and external (political-legal, economic, competitive, etc) forces [7], there is the problem of infrastructural collapse that imposes a handicap of sorts on the mission and operation of firms within the economy. Electricity and roads which constitute technical infrastructure that should aid businesses in increasing productivity and distribution efficiency are all but eroded [8].

A growing dimension to this drawback is the emergence of violent armed groups in nearly all the geo-political regions of the Nigerian State. In the North, trade and commerce has been eroded by the onslaught of the Boko Haram sect and residents and investors in these states have closed shop and are currently taking refuge in Abuja. In the Niger Delta, activities of Sea pirates and hostage taking is again picking up, this is following the Amnesty programme of the Ya’Adua and Jonathan administration (2007 – 2009). In the South East, kidnapping, hostage taking for ransomed, especially of business moguls and politicians and their relatives is rife.

The South West is replete with armed robbery, etc.

With this scenario, it will not be out of place to refer to the Nigerian business environment as chaotic and hostile to investors and business operations. For firms operating in these kinds of environment, one notices a regime of increasing frustration so much so that domestic firms find it difficult to break-even and survive. Less than a decade ago, Michelin, a global tyre manufacturing enterprise closed its operations in Lagos and left. This was quickly followed by Dunlop Nig Plc, a leading domestic tyre manufacturing enterprise headquartered on Oba Akran road Ikeja Lagos. Its executive chairman, Deacon Gamaliel Onosode, a notable industrialist had to bow out and relocated this vast enterprise to Ghana, a neighbouring country. It cost Dunlop N40m in diesel purchase per month in generating its own electricity to power its huge factories when it should be paying just N40m per month in public power supply. Again, United Nigeria Textile in the North is prostrate for nearly a decade now because of lack of electricity and soaring cost of cotton and other inputs. It has thrown out over 5,000 workers into the job market. Even the bailout fund by the Jonathan administration in 2011 did not bring life back to the garment enterprises and their vast sea of machines which are still lying idle. Thus, the Nigerian business environment is replete with dead and dying enterprises – only the banks and the internet service providers (ISPs) MTN, Zain, Glo, seem to be keeping their heads above waters.

In chaotic environment such as this, enterprises need more than the recommendations of business textbooks to succeed and survive. Enterprises and their leaders need to adopt tougher competitive patterns in the similitude of warfare. They need potent strategies to survive. Strategy is derived from the Greek word strategae, which means the act of generalship – the actual direction of military force as distinct from the policy of governing development [3]. The battle of the 21st century is the battle to capture the heart of the customer and viable markets [9]. Thus the above conception of strategy in a military sense of “warfare” is apt and indeed captures the situation sometimes in a competitive environment. Chandler [10] in toeing this line had said: “business is like war in one respect, if its grand strategy is correct".
Hence CEOs and their marketing team need to understand this core philosophy and integrate it into the mission and core values of their organizations. In the opinion of [11] organizations need strategy to determine the direction or action focus of their enterprise. For them strategy involves a) setting the marketing goals (objectives) to be achieved, b) the policies guiding or limiting action, and c) the major action sequences (or programme) that are necessary to accomplish defined marketing goals within set limits.

This brings to fore the need to evolve a competitive marketing programme of action that is long-term oriented. The long-term orientation is essential if effective techniques of taking care of present and foreseeable future needs of consumers are to be achieved. Cole [2] in this regard emphasized that the determination of the basic long-term goals and objectives of an enterprise and the adoption of courses of action and the allocation of resources necessary for carrying these goals out is a strong necessity especially in a competitive environment. The thinking is that long-term goals will prepare the firm to engage in market research, intelligence gathering to ascertain correctly customer wants and needs and be able to deliver them satisfactorily. A proactive marketing culture is therefore a necessity for long term survival [12].

Drawing from the above discourses, one can surmise that surviving and making a success of enterprises in the Nigerian business environment is quite a challenge. The thrust of this paper is to appraise the various environmental forces buffeting enterprises and see whether models and templates of action can provide a guide towards overcoming the constraints and making a success out of a chaotic situation and overall, see how these can impart positively on the economy of Nigeria.

2. LITERATURE REVIEW

To describe the Nigerian business environment as dynamic is an understatement. It is indeed turbulent and fairly unpredictable. This is so because core sectors that drive the economy (petroleum, power, transportation and logistics, not forgetting import dominance) are in a state of constant flux. For enterprises to survive in this type of environment will require going the extra mile. Aside from issues of manufacturing quality products and targeting them at identified markets, the crucial issue of service quality and customer satisfaction is key to enterprise survival [13].

Granted that most products in Nigerian markets are imports from Europe and Asia, the issue of product quality and positioning has assumed increased importance if enterprises are to survive. It is trite that most shopping malls and supermarkets display same or related products at almost similar prices. Marketers and CEOs of organizations have to find a way to create the necessary edge that will set them aside as a destination of preference for dynamic customers. Efforts in this regard are fastly tilting towards service quality. Treating the customer as King and ensuring his total bundles of needs are delivered in quality and style to meet expectations is an imperative. Customer care philosophy in this type of environment should be focused around the provision of “high quality service” and “manner of attention”. Customer maintenance therefore lies in “doing” not just by “saying” because out there in the competitive environment, there are many firms that engage in “saying it” but not “doing it” [14].

Enhancing service quality is targeted at building customer loyalty. This can be done through relationship maintenance. In the argument of [14] and it may involve certain action protocols which must be consistent. According to them, there should be consistency in:

1. Answering of phone calls;
2. Refraining from making promises you don’t intend to keep;
3. Listening to your customers and empathizing with them;
4. Deal with their complaints;
5. Being helpful – even if there’s no immediate profit or gain in it;
6. Train your staff to be always helpful, courteous and knowledgeable;
7. Taking the extra step, going the extra mile to meet their needs and
8. Offering a friendly smile

Surviving in a turbulent environment will require winning the hearts of a larger share of the customers, not necessarily winning a larger market share. The overriding philosophy of enterprises in the Nigerian environment is to regard the customer as the reason for the enterprise existence. The customer is not only the KING but the KEY to enterprise survival. Kotler [15] in an attempt to rationalize how the customer should be conceived paints the creed of L.L. Bean – a clothing merchandizing organization in the USA.
A customer is the most important person ever in this office. in person or by mail. A customer is not dependent on us… we are dependent on him. A customer is not an interruption of our work… he is the purpose of it. We are not doing a favour by serving him… he is doing us a favour by giving us the opportunity to do so. A customer is not someone to argue or match wits with. Nobody ever won an argument with a customer. A customer is a person who brings us his wants. It is our job to handle them profitably to him and to ourselves.

Dissatisfied customers are like loose cannons. Their activities can result is heavy customer complaint, bad news and eventual negative rumour which can ultimately damage the image of the firm and its products.

To be able to deliver quality products and services that will result in customer satisfaction, the organization will require some strategic initiatives. Delivering customer value and satisfaction is the target of an effective marketing plan. Strategic options to be adopted on the way to winning a customer for profitable gains are therefore a crucial imperative. Strategy consists of a hierarchy of system of establishing basic objectives, policies and plans and allocation of resources needed to achieve set objectives. Newman and Logan [16] see strategy as concerned with where an organization would be headed in future.

Some authors like [17] saw strategy as a process of decision-making. Hence they aver that strategy is a pattern of organizational decision making involving:

- Shaping and revealing its objectives, purposes or goals, producing the principal policies and plan for achieving these goals and
- Defining the kind of business and kind of economic and human organization it intends to build.

Other authors like [18] conceived business strategy as a vision. Hence for them a strategy is management’s view of the kind of company it is trying to create and its intension to stake out a particular business position. They also see strategy as a pattern of organizational reaction and maneuvers to changes in its business environment. A well conceived strategic vision prepares a company for the future, establishes long-term directions and indicates the company’s intent to stake out a business position.

Enterprise success cannot result except there is a marketing plan that has set aside defined goals to be achieved to ensure survival in the environment. Authors like [19,5] agreed that a plan is needed to implement strategy. Achumba (2000) identifies two levels of planning which are required to implement a marketing plan. They consist of a) strategic marketing planning level and b) tactical planning level. For him, the strategic marketing planning develops the brand marketing objectives and strategy based on analyses of the current market situation and opportunities. It involves commitment of substantial funds for long-term capital development that are concerned with organization’s external development. On the other hand, tactical marketing plan outlines the specific marketing techniques for the period including advertising, merchandizing, pricing, channels services etc.

Osaze [20] in evaluating factors that shape and direct strategy adoption/options within a business environment outlines the following as factorial. 1) Opportunities available in the environment 2) organizational competence and resource capabilities 3) threats to opportunities in the environment 4) social obligations and ethical values and 5) organizational culture and value system whether pioneering, innovative, complacent or bureaucratic.

Strategic options adopted should align themselves to certain core issues especially in functional strategy evaluation. In the opinion of [19] a company’s business is defined by what needs it is trying to satisfy, by which customer groups it is targeting, and by the technologies it will use and the functions it will perform in serving the target market. Hence, they admonished that CEOs should define their businesses along the following areas:

1) Customer needs, or what is being satisfied; 2) Customer groups, or who is being satisfied and 3) The technologies used and functions performed – how customers’ needs are satisfied.

Small wonder Thompson and Strickland (2003) submits philosophically that products or services per se are not important to customers; a product or service becomes a business when it satisfied a need or want.
In reviewing further literature in this study, it is fitting to spare some space to look at some actors in the business environment and see how the quest for enterprise survival relates to them. They are discussed within the broad divides of internal and external environmental actors. This draws heavily on the work of several authors [21,22,2,9].

2.1 Employees
These represent the human factor and its contribution to the business process. They include people working for the organization. They produce goods and services, which are sold by the business firms for the purpose of meeting customer requirements satisfactorily. Although, every individual that works for an organization has his own set goals to achieve, such goals are subordinate to the corporate goals of that organization which has contracted his services. For enterprises to survive the employees must have shared values designed to drive success holistically.

2.2 Trade Union
They are an integral part of an organization. They engage in collective actions for the benefit of their members. Their basic philosophy of operation is that a worker who joins a union is offering to be a part of the union, support it, fund it and in return his rights are protected when he is unjustly treated by the firm’s management. The union engages in collective bargaining with the business firm on behalf of the employees at shop floor levels.

2.3 The Shareholders
These constitute the collection of people; some high networth others not too rich who constitute the pool of individuals that provided the money for the establishment of the organization. In some cases they may be founding equity holders; in other cases they may be just a large collection of people who owns small or fairly large units of the company’s shares. Whichever category they fall into, it is expected that the management of the business would run it profitably. Their collective decision can impart on the survival prospects of the enterprise.

2.4 Suppliers
These are individual or organizations that relate with the organization as contractors and render supply services to the organization. In production-based organizations, suppliers are responsible for providing raw materials and other necessary inputs that the organization uses in their production system. To help the enterprise meet its projected target for survival, some suppliers give a long credit time to their clients before payment is made. In other instances, the organization can grant credit to their valued suppliers to enable them meet with the task of garnering enough materials for their production system to meet the desired output. Thus, suppliers as internal environmental actors help keep the organization production system going for continuity and survival [23].

2.5 Consumers
They represent the reason why the organization exist and in business. The customers are related to the firm directly because they purchase or buy the goods and services produced by the firm. When customers buy products, they do so to fulfil the functional and exchange goals of marketing. And in return receive satisfaction through consumption. Hence the money they part with is used to service other components of the firm and provides the profit which the organization uses to survive and to discharge its responsibilities to its shareholders, creditors, and in payment of wages and salaries.

2.6 Political/Legal Environment
This environment consists of the government and the law. The government is the legally constituted body in any socio-economic and political system. Government influences business by means of legal restraint. According to Iyanda [24] the federal government of Nigeria has promulgated laws to guide the conduct of business and business organizations are expected to operate in conformity with these laws. Business enterprises cannot operate successfully without some kinds of legal framework. The ultimate purpose of government is to provide enterprises the enabling environment to grow and survive and impart positively on overall wellbeing of the economy.

2.7 Physical Environment
The physical environment comprises of all those things that are external to the business itself but which influences the way the business system functions. Physical environmental factors include the existence of natural structures like
mountains, valleys, rivers and swamps etc. The physical environment can have influence on the distribution of manufactured products and logistic coordination. A country like Nigeria that has bad roads and almost 100% reliance on road transportation often have challenges in meeting customer and market demands – there is no gainsaying the fact that this factor impose a serious challenge on the success and survival of enterprises.

2.8 Technology

Technology is considered as one of the world’s fastest agents of transformation that is a consequence of change and innovation [25]. It has a lot of impact on enterprise success and survival in very competitive environments. Technology is a product of innovation and inventions which prevail at a time and have impact on production of goods and services. According Cole [2] technology provided a wide range of challenges and concerns on today’s business managers. Without modern technology, enterprises and industries lose their competitive edge.

2.9 Competition

This connotes rivalry among firms – Porter [6] identified these forces to include suppliers (and their bargaining powers), buyers (and their bargaining powers), potential entrants (threat of entrants), and substitute firms (threats of substitutes products and services. Competitiveness according to Ekakitiie (2010) threw up critical issues of economies of scale, product differentiation, capital requirements, and switching costs. Competition may bring out the best and allows for efficiency in resources utilization, but too much of it can pose challenges and threat to enterprise success and survival within given industries [26].

2.10 Economic Factors

The economic environment exerts influence on the individual and household consumption of products and services. Fiscal policies of government points the direction of public spending, it determines sectoral allocation, and such issues as taxation and borrowing. More tax on individual or organizations has capacity to reduce disposable income and savings necessary for enterprise expansion and growth [27,28]. This has linear impact on purchases and frequency of purchases including future investment and thus, has capacity to undermine volume of purchases and frequency. On firm level, government economic policy determines which industry booms and which shrinks which has more leverage to borrow and at what interest rate.

3. SURVIVING IN THE NIGERIAN ENVIRONMENT: A MODEL APPROACH

Haven x-rayed the internal, external environments and the import of planning and strategy in the task of enterprise success and survival, it is pertinent to engage our minds with the very techniques of survival.

Models and paradigm shifts may offer theoretical solutions in our attempt to manage the environment and grapple with its dictates. One of such models of environmental import is the J.D. Thompson (1967) model for managing the external environment. A drawback in adopting this model for driving this study could be the age factor. But the positive effect and its relevance can be gleaned from the fact the Nigerian business environment approximates the same behaviour and variables that existed in the US economy as at the period the model was crafted. Its relevance to our environment cannot be over-emphasized; its use is therefore justified. The framework captures solution strategies for coping with and managing environments of all types. An attempt is made to synchronise this model with the activities of active enterprises in the Nigerian environment. This model is also positioned as solution strategies recommendable to managers for their survival and success. The framework exists in four quadrants as illustrated below.

The Organization-Environment Relationship Framework

3.1 The Stable-Simple Environment

When environmental conditions are relatively stable and simple, the organization experiences little uncertainty and is likely to adopt a rigid structure. The rationale for this bureaucratic structure is that in the face of little uncertainty, rules, regulations and standards operating procedures can usually keep things running smoothly. Typical examples of corporate enterprises that align with this type of environment in Nigeria are Dangote Cement Plc and Beta Glass Plc. Their common characteristics are that they focus on a certain segment of consumers and of consumer market. Again, they produce limited product lines and have single and constant source of raw input supplies with relatively less competition. These enterprises and their products tend towards a monopoly. This represents the 1st quadrant in the above framework. Simple rules, abiding by standard operating procedures and shared work values among staff are essential success factors in this environment.

3.2 Dynamic-Simple Environment

The 2nd quadrant above refers – it typifies enterprises with dynamic but simple environment. They face a moderate degree of uncertainty. Managers here attempt to cope with this level of uncertainty - it is a modified version of the bureaucratic structure. Rules and regulations still prevail but certain areas (such as marketing) are likely to have the power to monitor and deal with rapid changes in environmental conditions. The Nigerian fashion and design industry operates in this environment and is a perfect example. In the early 2000s till now, it has had few designers like Kessy Jabari and Dakova. They both have almost the same source of Adire fabric suppliers corporations like UNTC and Aswani and almost relatively small distributional channels. A cutting edge strategy adopted by these two designing organizations is strong information gathering system and environmental scanning capacities. This enables them to keep an eye and ear on fashion changes, evolving trends in the environment and changes in taste and preferences of the customers. They therefore tailor their products and design to carter for the needs of their markets. Flexibility in market intelligence usage, strong customer relationship management and integrated distribution system are portent survival strategies that can be adopted.

3.3 The Stable-Complex Environment

This environment spotlights stability and complexity – it represents the 3rd quadrant. The environment here is moderately stable but a different form of organizing process within the industry may be an appropriate response especially when the organization and its subsidiaries exhibit a complex character. Managing and serving in such environment can be through decentralization and creation of special business units, SBUs. Here the enterprise decentralizes and groups its activities around different product lines in response to complex elements in the environment. Ekakitie [25] identified the Tower Aluminium Group Plc., headquartered on Oba Akran road, Ikeja Lagos as a typical example of such enterprises. The following exposition captures its true mechanics.

- **Tower Aluminium Ltd**: Is a division with few product lines – they manufacture cooking pots, pans and utensils and thus carter for household cooking requirements. They serve a strong and viable market.
- **Tower Building Products Ltd.**: Another division of the Group, it caters for roofing sheets and aluminium windows bars of all colours and sizes; and thus serve the building and construction industry well. As a matter of fact, it is a strong player in this market across Nigeria and West Africa.
- **Tower Extrusion Ltd.**: This SBU of the Group uses aluminium waste and materials to produce aluminium foils to aid production in other industries where foil is required as a raw input. Here nothing is wasted. A by-product becomes an input for furthering value creation and new products designed for new uses.
- **APCO Nigeria Ltd**: An SBU of the Group, it uses alumina materials to manufacture collapsible aluminium tubes and containers for storage of drugs, paste and other containerizable products for safe packaging and thus serve the pharmaceutical and related industries well.

Overall, corporations like this are noted to have complex technology, complex organizations systems with long and deep organization chain. They thus must deal with a myriad of environmental actors like suppliers, regulators, consumer groups including competitors. The Tower Group structure facilitate these interactions with the environment and at the same time cope with a market for its final
products that exhibit slow change, slow change in taste and preference, little adjustments to cater for its market needs. CEOs will do well to dynamically monitor and keep up with these changes.

3.4 Dynamic Complex Environment

This represents the 4th quadrant where complexity and dynamism is the hallmark of the environment. J.D Thompson’s exposition in his framework is that the environment has a larger number of elements and the nature of these elements is constantly changing. Here firms might find it advantageous to adopt a much less bureaucratic approach to managing the environment. The managers face a larger number of environmental forces – these are in constant change and flux. Enterprises in this environment must place emphasis on decentralization, out-sourcing and imbibe fluid communication system supported with hi-tech facilities to become successful and to survive. Typical examples of organizations and industries in this environment are the ISP and telecom providers, Nollywood movies and Aviation industries. The ISP and telecom operators must cope with stiff competition, limited bandwidth and backbone support infrastructure which must be updated constantly to meet user demand, power the transmitters with generating sets and cope with vandalization and Boko Haram attacks on its substations and transmitters etc. Nollywood captures the movie industry – here movie directors and actors have to cope with high travelling cost occasioned by constant and unpredictable hike in fuel prices, insecurity from thieves and kidnappers, high cost of movie making machine, activities of pirates and cloners in addition to high wages demanded by notable actors. The Aviation industry must cope with high cost of maintaining expatriate engineers to cater for repairs and re-tooling, certification of aircraft before flight take-off, high risk of plane crashes and activities of risk managers, risk assessors and adjusters at crashes, payment of compensation for deaths etc. Other hazards include uneven patronage, bad weather conditions and unprecedented and often sudden hike in aviation fuel prices etc, etc. This quadrant and the firms in it pose a nightmare to its operators and managers. This is because the business environment can be simply described as ‘crazy and hostile’. Solution strategies will include adopting less bureaucracy and letting junior managers and operatives exercise personal initiative to overcome unforeseen eventualities and adopting fluid communication techniques. Also, strong environmental scanning and monitoring is advised; this is in addition to watching the activities of regulatory agencies to know when new laws come on board. Adoption of best practices and global trends in addition to high quality service delivery by operatives of the enterprises can constitute key competitive cutting edge solution for survival.

4. DISCUSSION

Flowing from the above, suffice it to say that the battle of the 21st century is the battle to capture the heart of the customer [25]. Customer satisfaction is therefore the pivot of all marketing activities and provides synergy and platform for synthesizing competitive strategy and techniques to win the customer in fluid environments such as these.

For enterprise survival the strategic marketing planning template below can provide useful guide [19,1]. It points the enterprise to the following questions and more. Answering them honestly and objectively will provide a roadmap to success and survival.

Stage 1: Where are we now? (beginning);
Stage 2: Where do we want to be? (end);
Stage 3: How might we get there? (means/strategies);
Stage 4: Which way is best? (evaluation); and
Stage 5: How can we ensure safe arrival? (control).

A marketing plan consists of a policy driven action programme that a company must put in place and implement to reach its marketing goals. Achumba (2000) suggested certain criteria a good marketing plan should have, especially for enterprises operating in dynamic environments such as ours. It should be definable, measurable, be time bound, flexible and someone must be accountable for it. This plan will serve as a template adoptable by firms in dynamic environment as a roadmap to follow if they must survive. It should consist in the following content and should be in phases as illustrated below:

4.1 Phase One

ؤول Analysis – this phase seek to ask salient question: where are we now and why? – Answers must address: (1) market position; (2) description of product; (3) your
customers; (4) competition and industrial practices.

⇒ Corporate position: this involves appraising corporate positions in terms of:
  a) The type of business you’re into and its characteristics;
  b) The organization’s objectives;
  c) The available company resources;
  d) Current company policies, and
  e) Any special skill or core competences.

4.2 Phase Two

⇒ Ascertaining threats and opportunities
⇒ Ascertainment total market: market segment, suppliers, customers, trends, competition, manufacturing and administrative cost, adverts and profits.
⇒ Forecast: in terms of economic, industrial forecast, trends in the market, computer data, etc.

Market Description: market description should determine market scope, share and ascertainment of the following.

- Sales history as per market share/segment for the past 5 - 10 years;
- Ascertain the percentage of their market share;
- History of market potentials for 1-5 years i.e. its supply and demand pattern;
- Sales promotion: promos-tools and their mixes;
- Customer review: buying behaviour, attitude, their buying decision;
- Product attributes like: packaging, colour, price, size as compared to those of your competitors and
- Product: product design, packaging – ascertain unsatisfied needs and customer complaints on products.

4.3 Phase Three

This stage concerns itself with matters on decisions, objectives, and strategies

1) Marketing objectives: Number of revised new products needs
   • expected percentage increase in sales
   • size of order
   • number of new accounts
   • gross margins expected – promo-tools to be used
   • distribution approaches required

2) Marketing strategies – this should include: sales volume, product quality and pricing, customer groups and market share.

5. CONCLUSION

This study has objected ab initio to appraise, the nature and character of the environmental types confronting enterprises in Nigeria. The challenge the environment poses has served to constrain the growth and development of most enterprises in Nigeria. This situation has further been compounded by emerging turbulence in the physical environment where terrorism and insecurity has appeared as sore thumb in Nigeria’s recent history. This is in addition to technical infrastructural collapse like roads and electricity which should both combine to aid manufacturing, distribution and logistics in the enterprise attempt to locate markets, deliver value and create utilities across the economy. A combination of these and many others factors makes the researcher refer to the Nigerian environment as turbulent and chaotic.

The question of how enterprises can survive in this type of environment became key in the study. A clinical study and diagnosis of the total environment confronting enterprise revealed that certain approaches can be adopted to cope with the turbulence. Hence the J.D. Thompson model for coping with turbulent external environment was adopted for the study. The model provides specific approaches and solution strategies for the different environmental types facing most organizations and its four-quadrant framework provides recommendable solutions with which Nigerian enterprises can cope with the turbulence.

In addition to the J.D. Thompson model, a template of strategic marketing plan was suggested to aid survival in the environment. The template consist of a strategic action plan which exist in a three-stage programmed process which enterprises in a turbulent environment like ours can follow to survive environmental constraints and competitive maneuvers of rival firms. The template is revealed to have potential for helping firms identify their markets and determine their potentials correctly using research tools and environmental scanning techniques. This is in addition to determining its true strategic position within the industry of operation. The template
also suggest carrying out internal audit to determine its internal capacities (staff quality, machines, suppliers, product/service types, finance, etc) with a view to using them counter or overcome external threats and in the same vein deploy them to take advantage of opportunities that can fire growth potentials.

6. RECOMMENDATION

In the light of the various environmental types discussed and the solution strategies proffered, the following recommendations are herewith suggested to captains of industry, marketing managers, and researchers in addition to active players in the environment:

6.1 Combinational Approach

To survive in a turbulence and chaotic environment like Nigeria’s, a combinational and holistic approach is necessary. This means that there is no one best approach to survival and enterprises can combine, for instance, the J.D. Thompson approach to managing external environments with the three-stage process approach for driving the strategic marketing plan of an enterprise for survival. This combined approach can hold a lot of prospect if they are cohesive and integrative enough and driven by a CEO who has foresight and willingness to succeed and survive.

6.2 Environmental Scanning

Environmental scanning cannot be overemphasized in the quest for enterprise survival. The CEO and his marketing team must not neglect the task of scanning the environment to reveal salient trends, competitor plans and manœuvres etc. The appraisal of the environment should be broadened to include determining the internal capacities and external threats and opportunities existing within the given industry. A sound knowledge of these will better arm the enterprise’ leaders with the necessary techniques to survive.

6.3 Creation of R&D and Intelligence Unit

Many organizations in the Nigerian business environment do not have research and development units, many do not consult with research firms to help them gather market intelligence to aid their planning and strategic thinking. This study wish to draw the attention of CEOs and marketing managers to the dire need to create, fund and administer this important unit which has capacity to update and study trends, project into the future need requirements of customers – the strategic goal is to stay on the competition and survive.

6.4 Building Mis Infrastructure

The global trend is the creation of a data warehouse where information gathered from environmental scanning and market intelligence can be stored. The database aggregation in recent times have helped to entrench customer relationship management (CRM) and enterprise resource planning systems (ERPS) as strategic tool to transact business with valued customers profitably and utilize the resources of the enterprise maximally. Because MIS is about critical information for decision making, enterprises that project to survive in turbulent environment cannot do without it.

COMPETING INTERESTS

Author has declared that no competing interests exist.

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Peer-review history:
The peer review history for this paper can be accessed here:
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