

Looking To Start The Entrepreneurial Journey: Finding The Right Partners

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Prologue

As sundown is reaching August 10th, 2020, Nasir Ali Joyia, a young software engineering graduate from GIFT University, must decide to offer his friends to start a business venture. Nasir was weighing the options of the names he would like to discuss and offer a partnership for his new technology venture. Nasir greatly succeeded in his freelancing while working on Upwork and Fiverr websites after completing more than 100 projects and receiving higher client recommendations. Nasir thinks it is the right time to move to the next stage of his entrepreneurial journey.

“My passion for success guides me to work hard for my own project working for clients, which I received from Upwork and Fiverr. I am willing to include my other fellow in my entrepreneurial journey. However, I am very clear that business development is a step-by-step process like embarking on an expedition.”

For Nasir, envisioning the business venture development is exciting, and Nasir was planning to meet with the prospective partners next Monday. Nasir thinks that he has a business plan that works for all partners. However, Nasir must be careful and consider the prospective partners before making the final offer and expect total loyalty from the prospective partners.

Nasir Background

Early Days

Born in a small village, a middle-income farmer family worked in agriculture to support the family and earn the necessary living. Nasir has to walk about 5 kilometers to school every day. With no obvious economic resources and no family support for education, Nasir could perform well at the school level.

“I was inspired to be a teacher; I like my teacher at school. They were very hard working and supported me in all possible ways to inspire me to work for success.”

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Disclaimer

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“I attained my first achievement at the district-level school science competition. I was a village boy who never had the opportunity to learn and compete with the students from highly affluent schools. However, I competed well and stood among the top three in the competition. That makes me believe that I can compete and be successful.”

“I achieved my first success when I got the 100% scholarship at the Superior College, Lahore. However, my accommodation and living costs are not covered. I had to live with my cousin. He was Imam masjid in Lahore. I traveled 20 kilometers daily from my cousin's place to Superior College using a bicycle.”

“Afterward, I received a full scholarship from GIFT University, Gujranwala, and completed my Bachelor's in software engineering with flying colors.”

Nasir undertook the ‘BaghBan’ project during his studies, offering gardening and plantation services. He learns the basic marketing tactics and techniques. However, he implemented the project and started marketing it on the internet and the social media site Facebook. Nasir received the customer inquiries and completed a few small orders. That made him realize the internet's and social media's power to promote business opportunities.

“In the second year of my Bachelor's degree, I was taking a principle of marketing course that Mr. Suleman Anwar taught, and he gave us the project to design the plantation business marketing plan. My group and I completed the project, but as a software engineering student, I went a step further and put the marketing campaign on Facebook. And we have started receiving inquiries and a few orders for our project.”

During university days in my third year, Nasir started an IT firm named ‘Build By Build,’ where he partnered with his classmates. However, this firm was not able to see any success. The lack of commitment from fellow students and the inability to give proper project time brought the firm's closure. However, Nasir learns his obligatory lessons for business formation and development. Nasir learns that equally committed partners are necessary for the success of a business, bringing the required capital and skills to achieve success for a new business enterprise.

“In parallel to my academic journey, I ventured into various startups, including blogging and gardening-related businesses. I even established an IT company named Build by Build. Although not all these ventures took off, they provided invaluable learning experiences. I presented one of my startups at the Pak-China Friendship Center and the National Information Center in Islamabad, involving numerous pitches and presentations. This journey taught me that every business has its unique story and challenges.”

Global Gig Economy

The gig economy is an emergent phenomenon where workers take short-term jobs as projects and complete the given assignments. The jobs are not secured, and technology is the prime driver of this kind of work. About 500 online gig work platforms with workers and clients spread in about 186 countries. These work platforms attract workers and clients at the global level, but local platforms are also a significant part of the global gig economy.

Online gig work offers a great opportunity for low- and middle-income countries to utilize their skills and a viable path to escape poverty. Gig working can help curb youth unemployment and inequalities in creating job opportunities. Gig work offers flexibility and reduces employment costs for startups and small firms. However, gig work demands higher concentration and motivation with no job future or security. More than 60% of the gig workforce represents young people under 30 coming from low- or middle-income countries. Women also have about equal representation in the gig workforce, but women gig workers get somewhat lower wages than their male counterparts.

Youths are inclined towards gig work as a viable source to generate income from the skills and keep working for their education or job. Gig workers need to learn new skills and work on projects that harness project management skills, meet deadlines, work in a team or individually, and work as entrepreneurs. The women also have the opportunity to work as gig workers and earn good with their respective skills while staying at home. However, the demanding nature of gig work can cost the workers as no social insurance or benefits are available to the gig workers. These digital platforms need to work offering insurance as collective brainning and work to provide training and support to the gig workers.

The emergence and growth of the gig economy bring economic and social benefits but challenges to the government and regulatory agencies. Questions arise about the legal status of gig-worker, fair wage rates and working conditions, tax issues, and reasonable relations with employers (project managers). The global reach of the gig economy paves the way for equitable regional growth, offering employment opportunities to a diverse workforce and reducing the vulnerability brought to social and economic well-being. The gig economy represents the vital shift in the manner of work and management of business operations. 20% of the gig workers classify themselves as entrepreneurs, 25% as independent contractors, 15% as seasonal workers, 15% as client employees, and the remaining as platform employees.

Freelancing industry in Pakistan

A significant rise of freelance work was observed in Pakistan, and it became a substantial part of the national economy. The following factors are attributed to the growth of freelance work in Pakistan.

Digital connectivity

The better asses to the high-speed internet harness the digital work and open up the freelancing work opportunities. With the availability of high-speed internet, Pakistani youth can access and work in

fields like graphic design, content writing, software development, and various aspects of digital marketing.

Role of higher education institutions

Pakistani higher educational institutions are changing their role from traditional educational delivery centers and are offering the skills that empower the youth to work globally. The rise of online courses and training programs also facilitates acquiring the necessary digital skills and harnessing the entrepreneurial mindset. Technology skills development and nurturing problem-solving approaches help the youth remain competitive and work in a highly dynamic global freelancing workplace.

Government initiatives

Realizing the gig economy's potential, Pakistan's government has brought forward its efforts to facilitate and support freelancing work. The government works to provide a well-developed digital infrastructure at a reasonable cost and increase the accessibility of digital connectivity. It facilitates the youth with digital training programs in all aspects of gig working, access to easy finance, and reduces the bureaucracy for establishing small firms and enterprises.

Youth Population

About 60-65% of the Pakistani population are under 30, offering a huge young population willing to break the barrier of traditional working of 9-5. These young people are mostly educated and willing to work for themselves. These people are technology savvy and categorized as impatient. They like to socialize, using Web 3.0, and are eager to make ways for them with a higher propensity for experimentation. Only about 20% of the youth living in urban centers have access to higher educational institutions. However, willingness to grow and succeed harnesses the entrepreneurial mindset to work with the technology to earn their livelihood.

Global demand

The rising global demand for outsourcing and offering freelancing work has become a global trend. Quality, delivery time, and price competition are the common features of the global gig economy. The English-speaking capacity of Pakistani youth helps young freelancers gain gig work.

Social and economic impact

Freelancing work brings the necessary foreign exchange and offers self-employment opportunities. It brings social impact by empowering the low-income educated group, offering remote working in flexible working conditions and work-life balance.

Challenges and Limitations

Freelancing in Pakistan still faces international payment issues and no facilitation from banking companies. The legal system for gig work is in its infancy, and support is required to facilitate the gig work formation of small enterprises that can work with international players with minimum documentation. Pakistani gig workers are seeing growth, and the legal and social systems must support the sustainability of freelancing.

Development of early thoughts

Nasir is realizing the market potential for freelance work, and young software developers are unable to find the work. Nasir can make a good name among the freelancers and can take on project assignments. Realizing the market need, Nasir started developing the initial database of classmates and friends who could work on software development or other allied remote jobs.

“After some time, I realized the potential of remote working and started creating a platform where I could connect with my classmates and distribute work to them. It was a pivotal shift in perspective, from seeking work to providing opportunities for others.”

Nasir took the job, assigned it to their friends, and worked as a project manager to complete the assignments. Nasir performed the quality check and managed the money matters.

Nasir finds it handy to manage the projects and earn good money for himself, his friends, and his fellows. Nasir developed the mindset to form the software house and engage fellow friends as partners. However, the idea was rejected, and no one appreciated it.

Early Personal achievements

After graduation, Nasir went to his village and tried to get a job. Nevertheless, Nasir keeps freelancing and earning USD 1000-2000 monthly. Success brings the confidence and necessary economic resources to spend a good life and plan for the future.

“I keep freelancing from my house rooftop in my village, initially driven by the need to cover my expenses. I received a small work order, and I can complete this on time. Completing micro jobs brings the necessary money and confidence that I can venture into this industry.”

Start of COVID-19

The World Health Organization (WHO) declared COVID-19 a global pandemic on March 20, 2020. However, Pakistan authorities started reporting COVID-19 cases in the 1st week of March 2020. Pakistan experienced the 1st wave of COVID-19 in May 2020, marked as high intensity, but reported a low death rate. The government of Pakistan enforced 1st lockdown from March 24th, 2020, till the end of May 2020. Smart lockdown and standard operating procedures (SOPs) were implemented to tackle COVID-19. Efforts were made to reduce the financial impact of COVID-19 on businesses and the labour force able to work and earn their livelihood. The complete lockdown is termed as infeasible as 25% of the country's population lives below the poverty line. Educational institutions opted for online learning and remote teaching. Working with a reduced workforce and remote working were adopted as viable working options. The estimated loss to the economy accounted for up to USD 200 Billion.

The Planning Commission of Pakistan projected that 18.5 million may lose their employment, and the lockdown may further restrict economic activities. Government efforts start bringing the results,

and COVID-19 testing gears up. However, the smart lockdown could not control the general public movement and enhanced the threat of COVID-19. The 2nd wave of COVID-19 started in November 2020 and primarily affected the urban centers. At that time, the COVID-19 vaccine came to the market, and the Pakistani government planned to purchase the COVID-19 vaccine from Sinopharm. However, the shipment of the COVID-19 vaccine takes time, and not enough numbers to provide it to the entire population. The COVID-19 vaccine was provided to the medical staff and front-line workers in the first round.

The 3rd wave experienced from March 2021 to May 2021. Pakistan started receiving COVID-19 from China and 17 million COVID-19 vaccines from the USA.

Nasir thinks the right time is coming to make the right move and form the software house business. However, Nasir needs the right partners to work and collaborate with Nasir's passion and need for achievement. The Spread of COVID-19 also brings a unique opportunity as all software development work goes into remote working. The global software development industry is moving towards remote working. Making the right move in establishing the firm helps Nasir to have the firms that can help fellow friends and class fellows and try their luck into business development.

Nasir already has a database of fellow classmates working in the industry and the skills set to be a good partner. Nasir makes the necessary revisions, finalizes the following name to talk to, and offers the partnership to start their technology venture.

Prospective partners

Khalil Ahmed

A class fellow at GIFT University, completed a Bachelor's in software engineering. He worked as a user experience designer at www.Bayt.com. Develop design skills for user interface (UI) and user experience (UX). Understand project management and have skills in product design. I am well-motivated to lead the project teams and invest time and money in the software development company. Khalil is good at taking responsibility and is a good team player.

Ateeq Ur Rehman

A class fellow from GIFT University with a Bachelor's in software engineering. Good in programming and software development. Able to perform the need analysis and work on business process modeling. Get experience working in healthcare, Fintech and ERP systems.

Muhammad Abdul Rehman

Software Engineering graduate of Superior University, Lahore. Abdul Rehman has software development experience and can work on complex and challenging projects. He worked on full stack development and can work on advanced tech stack.

Ahmad Bilal

A software engineer graduated from a local university in Lahore. Ahmad Bilal is very aggressive and is already involved in selling and purchasing laptops. Ahmed's marketing and networking skills can empower the newly conceived organization. The computing skills are less, but they can be a good addition to the firm.

Epilogue

Nasir has to decide early and have to have serious talks with all the prospects. Nasir is also considering asking all the partners to contribute money as the initial investment in the firm and keeping a certain percentage for charity work (May Allah be an equal partner in the business). The concept is somewhat near to Waqf. Allah is considered an equal contributing partner, and a certain percentage of income is set aside for charity work. Nasir must also convince prospective partners to settle things before venturing into this business adventure.

Nasir understands it is the right time to enter the market and talk to prospective partners. Nasir needs to decide who the right partner is. Who can invest in the partner, and how much money must each partner contribute? What will be the role of each partner, the responsibilities each one has to handle, and the compensation or reward of each partner? Nasir understands that new firms always face difficulties, and the first few months, even years, are not easy to survive.