

# That's not a business plan!

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## MICHAEL KAMUNGUNA M.

Independent (Private) Researcher and Self-Publisher  
BSc. Electrical and Electronics Engineering, 2005.

Tea@HerMi.KE [Tea.HerMi.KE](mailto:Tea.HerMi.KE) +254 700 00 66 11 MPesa  
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**SUMMARY:** *Frauds are simply ventures that have a money plan with no business rather than a business plan with no money!*

## 1 Currency

I often watch *YouTube* videos about past investment fraud. I often see in the fraudsters and the 'victims' traits that I have and this makes me concerned; **both** the fraudster and the 'victims' have a plan on getting money but they have no plan on **getting business!**

## 2 Risk of investment debt

Transferring money in a situation where nothing is been **exchanged** puts the fraudster at the risk of a debt owed to others and places the victim in a debt owed to self.

The fraudster fears punishment and retribution from the victims. The victim regrets having failed to protect their own money; both suffer shame.

## 3 Cash deficiency

Most people have an **idea** on how to get into business but **lack the money** or resources to start a business at the level they are aiming for. Fraudsters are the opposite.

## 4 Talk efficiency

Some people are talented and trusted enough to talk people into giving their money to a **branded investment**, despite not having a real business activity behind the branding.

*Fraudsters create a brand that has no business.*

*Honest people build a business before branding it.*

## 5 Flat image

There is an advertising imagery game that fraudsters play to trick people into letting go of their money-

- an investment image that has no business behind it; or
- a business image that has no product or service behind it;

The institutions that offer investment services commonly operate such that they do not readily disclose the business activities behind their 'investments'.

### 5.1 Act like you know

Investment organizations have a cloud of elitism that makes investors feel embarrassing to dare ask **untrusting questions** about the 'blue suits in the marble towers'.

### 5.2 Special Knowledge

In addition, investment institutions operate on the premise that the investor is too disinterested or unspecialized to comprehend the complex businesses behind the investment.

### 5.3 Herd mentality

Besides that, most investors are shallow and they resist details that require lots of thinking; they simply want to hear the words 'sign here, pay this and wait for the profits' coming from the investment office.

### 5.4 Ignorant investment

Consequently, the typical investor is hardly ever given a chance to verify the viability of

what lies behind the face of the investment office.

## 6 What plan is it?

Quite unfortunately, the Kenyan culture, and much of Africa where money is an imported concept, plans for money rather than **business**. We plan how to get and use money rather than how to **identify a need, fulfill it** and get paid.

I once asked a lady to propose a business and she suggested we organize an advocacy conference and charge people to attend.

This mentality explains why many people in Africa prefer to create charitable, political, religious and advocacy organizations that aim to receive monetary donations rather than companies that create needed products that can be **sold at a profit**. In Kenya, it is much easier to come across people who belong to a *chama* that is seeking donations rather than a self-help group that is **seeking to sell** something that fulfills people's needs.