**Name of student:**

**Name of Institution:**

**Unit course:**

 **Develop a presentation outlining all major issues and challenges affecting logistics business.**

The major issues and challenges that are affecting logistics business are limited access to cash for financial growth, lack of understanding in financial management, lack of business plan, problem with cash flow, poor transference system, lack of good customer servicesGhobakhloo et al. (2011), poor leadership, poor time management.

Due to high rate of fuel has led to increase in transportation cost distressing all methods of transportation that is Air, road, sea and rail. Increase in transportation cost has limited people moving from one place to another. Underprivileged transportation system has slow down growth rate of business. Limited access to cash for financial growth ,for a successful business require enough capital to get up and running .Lack of capital has been a major issue and challenge that the business face, without capital one will not be able to buy raw materials and supply them to the customers .Without capital one will not be able to pay transportation cost .Every successful business requires adequate subsidy to be able to run business.

Lack of business plan is major challenge in business, one should avoid making any decision before putting together a strong and well thought out business plan.This will give you a frame work you are going to run your corporate and its crucial for keeping you on track once you get caught up in the day to day operation ,especially if you have limited human resource to begin with . Plan will help you on how to manage important activities including managing your cashflow , working with your suppliers and vendors ,training your staff and constistently provided that high quality services or products.

By having a strategy in place at the outset , will be in a better position to manage the bigger picture ,to measure your business against opposition and be prepared for a wide range of scenarios .A good business plan will help you to grow your business.

Lack of understanding in financial management has been a challenge to many business people . Most people starting a new business don’t have a circumstantial in accounting or bookkeeping, so keeping on top of finances can be time consuming and stressful . Its important to keep track of your paperwok ,especially when it comes to paying taxes, that can distract you from crucial business actions include expanding your merchandise listings, focusing on your higher value product offering and improving your customer relationship. Lack of understanding financial management led to decline of many businesses . For a business to glow requires good administration of finances.

Pivoting to a new business model has been an issue ,as many business owners discovered in a recent times pandemic .Sometimes circumstances can change and you are forced to hinge your business. Maybe you need to offer a new services or products ,or to run in a new way or function in a new business.For you to be successful in that you need to transfer your business or find a way to connect with customers .By giving promotion to your customers improve your business and it can be a way of introducing new product to them.

Overreliance on a small stable of customers has been a challenge in business .But its dangerous to rely on these regulars as it can can lead to disaster for your business if they suddenly disapper leading to business failChang et al. (2008). If you have limited resources and staff ,its important to keep looking for a way to innovate and diversity your business so you are continually attracting new clients and offering new products or services.

Declining profits amid rising operational costs. When the expenses rise and the income drops is a major challenge in business .Many cost such as raw materials, labor ,shipping and utilities vary depending on market especially as a lot of the lower cost suppliers tend to favor bigger client so you might be forced to work with more expensive alternatives so its important competition of business is a major challenge .One should be clear and careful about what your business offers above and beyond the rest
Schneider and Epstein (1998) ,without a unique selling point ,supported by a strong marketing and promotions strategy one will risk disappearing into the background with your target customers.

In conclusion, the way to solve all the challenges affecting business logistics can be solved by ensuring that there is enough funding , enlightening transportation infrastructures ,having a good affiliation with the customers ,have a business plan before preliminary a business to avoid fail in businesses.

**Reference**

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