

RESEARCH REPORT

TITLE: A research to evaluate the provision of business development services and information offered by Zambia Chamber of Small and Medium Business Association (ZCSMBA) to Small and Medium scale Women Entrepreneurs in Lusaka

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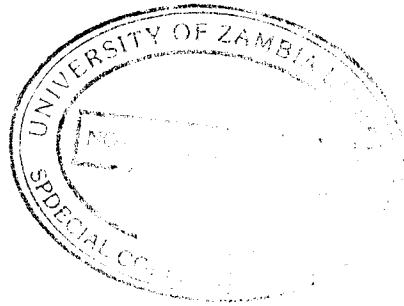


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Dedication

I dedicate this piece of work to my mother, Mrs. Evelyn Chama, who has inspired me in so many ways.

Acknowledgements

I would like to acknowledge the following individuals who helped me carry out this research.

To begin with I would like to thank my Heavenly father for his love and without it I am nothing

I would also like to thank my supervisor Mr. Hamooya who helped me compile the report, Mr.G. Sakala from ZCSMBA, Mr. K. chibamba from Zambia Development Agency.

Abstract

This is research to evaluate the provision of business development services and information offered by Zambia Chamber of Small and Medium Scale Enterprises(ZCSMBA) to women entrepreneurs in Lusaka. The study aimed at assessing the information needs of the users, obtaining the perception of the users on the performance of ZCSMBA, Assessing the impact of the services and to identify problems that hinder the effective dissemination of information.


The study used a simple random sampling method and a sample size of thirty (30) respondents. In addition it used open and closed ended questionnaires as data collection instruments. The findings revealed that the information needs of the women sampled in the study were, access to capital, market opportunities, legal advice and latest machinery. In addition, in obtaining the perception of the respondents on the performance of ZCSMBA, it was discovered that the majority said it was good and very good(56%) while 37% said it was bad and very bad. It was also found that the obstacles that hinder the respondents from accessing the information were that of information offered by the organization being obsolete, it not being suitable for their information needs, respondents not being able to read and bottlenecks in the flow of information from ZCSMBA to the respondents created by leaders in the organizations they belong to such as Women Entrepreneurship Development Agency (WEDAZ).

In conclusion, it was discovered that the lack of information in business is the major obstacle in business development among the respondents and that ZCSMBA has not been fully utilized as an organization the provides this information. Lastly the recommendations made were for the organization to increase sensitization on its operations and services, make information accessible and for government to adequately fund the organization.

I Kabele Chitule Mwale do here by declare that this report is my authentic work and that, no similar piece of work has previously been produced at the University of Zambia or any other institution for the award of a Bachelors of Library and Information Studies degree. All other works referred to in this report have been duly acknowledged.

Made this...30th...day of April, 2009

By the said KABELE CHITULE MWALE

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Supervisor:
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CHAPTER ONE

1.0 Introduction

The right to information is one of the many human rights that protects and develops the human life. Daniel bell (2000) argues that there is a strong relationship between the right to information and the development level of a country. Information empowers people to make choices in all areas of development. Therefore information plays a key role in the development of any society as society is comprised of different sectors such as agriculture, health, education, industrial, and environment.

There is a need to systematically collect and analyze information so as to be able to take an informed decision and it needs to be timely and useful. The usual sources of information are trade and industry associations; reports of experts, consultants and analysts; specialized trade and industry journals; publications of research bodies and forecasters; and government publications. In addition, the internet has now become an easily accessible source of a large variety of information.

In the business sector, information is obtained from the environment as it can positively or negatively affect the survival of any business. The environment is comprised of the Political/Legal aspect, Economic, Social/Cultural and lastly the Technological aspect. These are broadly known as PEST factors.

The information on the political/legal aspect is important because it gives a framework within which a business can operate. These for instance include the political ideology of a country, procedures on registering that particular business, safety regulations, environmental laws. In addition, Harrison (1975) argues that business need legal information which includes legal title to property which for can be used as collateral for obtaining capital to expand the business. In addition, it also includes information on labor laws; information on trading rules; practices and regulation are required in business.

Information on the economic environment is important because it determines how easy or difficult it is to successfully and profitably operate a business. These include tax policies, rate of interest charged on loans and rate of inflation. Information on capital markets is also important in business as Hall (1995) argues that information on access to capital is needed in the operation of any business. This is in the form of finance at the start of the business, working capital which is needed for the daily running of the business. In addition information on access to capital may also include information on the existence on credit facilities such as banks, government or any other money lending organization.

Apart from that information on how to access local, national, regional and international markets is also vital for the growth and survival of any business. This involves gathering market intelligence and commercial information by joining or affiliating with other business organization. Belonging to groups is very important as it has a positive impact on enterprise development and the procurement of support services information is needed on where to obtain raw materials at competitive prices. This type of information is needed in business so as to facilitate efficient production.

The social/cultural environment encapsulates demand and tastes which vary with fashion and trend, disposable income, age distribution, population growth and general societal attitude and cultural changes. This information in business is important because society generally influences the type of business that one can do and the attitudes that people have towards the goods and services that a business offers will also determine its survival

Lastly, the right information on technology will initiate investment projects and to bring the market a diverse flow of new and improved products.

1.1 Background of Zambia Chamber of Small and Medium Business Association (ZCSMBA)

ZCSMBA is a non-governmental organization registered with the registrar of societies on the 28th of March 2000 in Lusaka. ZCSMBA is a private sector membership driven organization with a total membership of eighty-four(84) business organization that represent over ten thousand micro, small and medium enterprises (MSMEs). ZCSMBA's membership is divided into seventy-four (74) district business associations and ten (10) sector gender-based associations. Further, ZCSMBA has thirty (30) corporate members. ZCSMBA's secretariat under the leadership of Maxwell Sichula is currently housed in the show grounds, Lusaka at the Standard Chartered Bank stand. ZCSMBA is governed by a board of directors who are elected from the DBA representatives. The board of directors' role is to supervise control and direct the affairs of ZCSMBA. The board also determines policies or changes therein to Annual General Meeting. ZCSMBA runs a lean secretariat comprising of eight professional staff(8) members to support the management team in implementation of activities, the organization has a database of one hundred and sixty(106) consultants and trainers(80% of whom the organization developed) who renew their membership on a yearly basis

Vision

ZCSMBA's vision is to be the best facilitator of quality and sustainable business development services and information.

Mission Statement

To become a facilitator of business development services for MSME's in Zambia through a deliberate and integrated capacity building system.

Strategic objectives

- To facilitate and stimulate the provision of demand driven business development services to MSMEs by business associations.
- Development of internal management and BDS support systems for dedicated and committed business association

In its quest to support development through business association development its main service areas for its members are

- Lobbying or an enabling legal, regulatory, microeconomic environment for MSMEs
- Networking, linking and facilitation of demand/supply of business and financial development services aimed at service
- Capacity building support in governance, business management and technical skills development through tailor made training programs that are based on results of detailed training needs assessments. To this effect ZCSMBA in collaboration with ZIBA have accessed funds from the African capacity building foundation (ACBF) for Indigenous Small and Medium Business Association Capacity Building.
- Access to finance and strengthen support MSEMs through strategic partnerships with banks and micro finance institutions
- Expand market opportunities for specific categories of small enterprises. Localize small business support through a ZCSMBA co-ordinate information and advice access points. Further, initiate a national entrepreneurship drive through the Zambia Business Development Service Voucher Program for small and medium enterprises (SME) development.
- Policy interface by representing its members at national level through advocacy and promotion of common interest in policy dialogue with other private sector associations, the government and other stakeholders.

Activities through which it disseminates information

ZCSMBA has various activities through which it disseminates information. It issues out newsletters which are bi-annually and contain information on the current events in the business development sector, in addition to the newsletters it issues updates of upcoming events or latest information and this is done through emails to its members/ organizations that are in the database. Apart from emails it also physically takes the information to its members in Lusaka and disseminates and through the Provincial Representatives in other provinces who intern disseminates the information to the masses

Apart from that, it airs a program in Zambia National Broadcasting Cooperation (ZNBC) radio 4 every Sunday at 20:30. In addition it also carries out workshops which aim at informing its members on business development services and any other information pertaining to the growth of MSMEs.

ZCSMBA aims to set-up a resource center with the latest ultra modern equipment in the near future so as to effectively disseminate information in the show grounds in Lusaka.

Despite this institution carrying out these services and activities, it seems the information is not reaching the intended audience who are the micro, small and medium scale entrepreneurs.

1.2 Statement of the Problem

The number of women enterprises is growing in Zambia. More and more women have become self employed and owners of micro, small, medium enterprises MSMEs. Unfortunately they have encountered a number of problems which have hindered their business from growing into large scale enterprises/ industries which can contribute to the economic development of Zambia.

The problems that women face are firstly; the money generated from their businesses is minimal and therefore they fail to provide even the most basic needs for their families. Secondly they fail to pay employees wages and the rent/rates of their business premises. As such in most instances

have had to close their business. In addition, lack of information to exploit opportunities is another problem that these enterprises face as they have failed to break into both local and international markets. They fail to compete with foreign investors because they cannot afford to purchase the technologies to aid them in their businesses.

The problems faced by women's enterprises have far reaching implications because women in our society have taken up multiple roles in families and in many instances the sole providers of food, clothing, shelter, education and medical fees for their families.

1.3 General Objective

- To evaluate the provision of business development services and information provided by ZCSMBA

1.4 Specific Objectives

- To assess the information needs of the users of ZCSMBA
- To obtain the perception of users on the performance of ZCSMBA
- To find out how ZCSMBA disseminates information and business development services
- To identify problems that hinder the effective dissemination of information by ZCSMBA

1.5 Significance of the study

This study is significant because of the following reasons

- It will provide an insight into the weakness and strengths of ZCSMBA as a medium for disseminating of information in the country
- The findings can improve the operations of ZCSMBA
- The study will contribute to towards the improvement of access to business information in the country

- The findings to this study can be useful to persons and organizations interested in establishing information networks for the exchange and dissemination of business information

CHAPTER TWO

2.0 Literature Review

This chapter provides a clear insight into the studies done by other authors and is divided into two parts. The first part deals with literature on the problems faced by women's SMEs and the second part deals with literature on the effectiveness of business information providers.

Literature on problems faced by women's SMEs

Research carried out by the United Nations Conference on Trade and Development and the United Nations Industrial Development Organisation in Zambia in 2000 based on 35 women entrepreneurs revealed that women's full economic potential is not being tapped. The main obstacles for women entrepreneurs in this study include the lack of access to, including control over, capital, land, business premises, information and technology as well as lack of training, product inputs, networking and assistance from governmental agencies.

A research done by William Cooley and Jesse Lutambwingwa (2001) from the State University in Kenya on the constraints faced by SMEs in Kenya revealed that business financing in terms of start-up and capital for continued operation is often cited as the greatest problem for small women's business development. As such, in Kenya start-up capital is a barrier to entry in most entrepreneurial activities. Lack of capital was cited by eighty percent of all respondents as the greatest start-up problem. Absence of machines and tools was cited by roughly half the respondents as a major start-up problem. In addition to the start-up capital amounts. Here, it is clear that personal savings dominate as the primary source of capital in all industries studied. It should be noted that no one had gained their start-up capital from a formal sector source. Relatives, partners and friends were the only other responses given to inquiries about start-up capital. As previously stated, when entrepreneurs were asked from what sources they had requested external funds, most reported that no requests were made. Most business owners "knew" that they would not be granted a loan as they did not have collateral. One owner stated that loans "were made to rich people." Another entrepreneur felt that "there is a lot of

discrimination in the provision of loans, particularly against small women business entrepreneurs." However, most stated that a source of external funds would improve their businesses significantly.

Carter S (2000) argues that in most countries, regions and sectors, the majority of business owner/managers are male (from 65% to 75%). However, there is increasing evidence that more and more women are becoming interested in small business ownership and/or actually starting up in business. In addition, rates of self employment among women are increasing in several EU countries. Although there are no official statistics relating businesses to the gender of their owner/manager, there is a good deal of evidence to suggest a significant increase in female entrepreneurship. One consequence of this is that women are a relatively new group of entrepreneurs compared with men, which means that they are more likely to run younger businesses. This in turn has some implications for the problems they face and their ability to deal with them.

A key issue, therefore, is whether women entrepreneurs face specific problems in setting up in businesses that are different from those faced by male-owned businesses. Like young entrepreneurs, women may have particular problems with raising finance and may have had less chance than most men to accumulate the confidence, skills and contacts necessary to start and run a successful business. In addition, gender discrimination by finance and support providers, customers or employees may be an issue. Some previous research has suggested that it is more difficult for women to raise start-up and recurrent business finance than men and that women are more likely to encounter credibility problems when dealing with bankers (Carter and Cannon, 1992).

Carter (2000) has identified four areas of financing that previous research has noted can pose particular problems for women. Firstly, women may be disadvantaged in their ability to raise start-up finance. Second, guarantees required for external finance may be beyond the scope of most women's personal assets and credit track record. Third, once a business is established, finance may be more difficult for female entrepreneurs to rise than for their male counterparts, because of the greater difficulties that women face in penetrating informal financial networks.

Finally, the relationship between female entrepreneurs and bankers may suffer from sexual stereotyping and discrimination.

Literature on the Effectiveness of Business Information Providers t

A research carried out by Mochomba (1996) to establish the information needs and seeking behaviors of women engaged in small business activities in Botswana with specific reference to Gaborone. Using interviews and questionnaires data was collected from forty women who own small businesses with less than fourteen employees and ten institutions which serve women in business. The study reviewed that a lot of women lack business information on small scale businesses and were not aware of their information needs and how information can support their business activities. The study showed that many institutions, which aim at providing services to women who owned businesses, were not utilized effectively due to lack of information on existing services. It was found that channels such as radio, newspapers, workshops and pamphlets used by a majority of organizations were not adequate. The study also reviewed that business women find difficulties in communicating their priorities to government which is unaware of the business requirements and fails to come up with ways of assisting them. Most women felt that there was need for some forum that would offer them an opportunity to meet regularly in order to exchange information.

Smith (1996) carried out a study to investigate the way small and medium enterprises use information resources was in any way related to business success. A group of small and medium sized enterprises was selected and 470 questionnaires were administered. From the responses, of 60 it was found that among the successful companies. It was also discovered that companies with the highest success rating did not see the cost of information as a barrier to access information compared to companies with lower success rating. Of importance to this study is to examine whether ZCSMBA services were in any way contributing to good performance among business organizations in Zambia

A study done by Dixon in 1994 to investigate the demand and supply of information in the small business sector in west Lancashire in Britain revealed that few business managers recognize a

need for information or appreciate its value to their activities. Generally, financial and cost constraints limit the information seeking behavior of firms, explaining the general lack of awareness by small firms explaining the general lack of awareness by small firms of the range of resources available to them. The findings also indicate the prevalent preference of local and informal sources of information. Dixon notes that although the level of services the enterprise demonstrates that of information is as important part of business planning and development.

Angular and Wood (1995) carried out a study in Zambia to establish knowledge and use of the PAN African Development Information System (PADIS). The study reviewed that the PADIS in its present state is not effective in dealing with development information in Africa because it lacks proper planning and implementation of projects. This is because the approach taken to implement PADIS project failed to take into account weak information infrastructure of most African countries. The study reviewed that although PADIS envisaged as the leader of information technology in Africa, it has concentrated on advanced telecommunication and computer systems which cannot be supported by many African countries. It also showed that nearly half of the respondents were only aware of PADIS from UNZA and research institutions and quarter from government institutions. This shows that there is little publicity to ensure that people are aware of its existence and services.

Meson and Nadik (1995) reports on the functions of business information services in South Africa. The two authors report that business development services (BDS) was supporting the establishment of a network of local business development services which are aimed to responding to needs of small firms. They argue that BDS was also developing a complimentary network of manufacturing technology service centers to save the need of small manufacturing enterprise. BDS was also building an inter-organization communication network so as to link centers and provide useful data and information. The primary objective of the electronic information and networking system is to enhance local business service centers and a manufacturing technology service center, by creating an electronic based system which will facilitate both access to information and networking amongst each other. This idea is to use the internet as the backbone of the system.

Levin (1995) looks at the role of South Africa Non-governmental Organization Network (SANGONET) in the provision, training and support to the individuals and organization. It provides services aimed at supporting democratization and building capacity of organization by facilitating the exchange of information between them. SAGONET has a website which forms the basis of information which member requires and request. Levin future says that SAGONE carried out a research in 1995 indicated that 63% responded SAGONET as primary source of information. Levin says that using the model such as SAGONET can assist in the dissemination of information necessary for development.

McGillivray (1993) looks at the role of Info access and electronic information service based in Pretoria in the dissemination of information in South Africa as while as the Southern region. She argues that the development in the world of information are reposting product and services into electronic media for distribution and enabling businesses to continue the use to capture the end user market. She argues that although information needs of any organization are satisfied to some extent from local or in-house sources. It is important to have access to external information sources. Referring to South Africa Mc Gillivray says that the country re-enters the global village, organization need to retrieve information petintet to the activities and environment. She argues that info access should be in a position to meet such demands and make information available to organization in South Africa even those outside its borders.

Farmer and Sanson (1993) examines how the Scottish Enterprise Network (SEN) provides information for business in two distinctly different areas; Granpian and Ayshire. The enterprise network is made of SEN, which is responsible for co-odinating and providing support for network of thirteen local enterprise companies. Among its responsibilities is also the provision of business information through different stations in the areas referred above. The observation was that SEN doesn't seem to be filling gaps which previously existed in business information especially free information and advice for developing small business. Farmer and Sanson also argue that the arrival of the enterprise on the business information scene makes future prospects seem brighter because the enterprise seems to have the resources to try out new strategies in information provision. The two also observe that as part of it's portfolio of service the enterprise

demonstrates that the use of information is an important part of business planning and development.

CHAPTER THREE

3.0 Methodology

Martin, J (1985) argues that a methodology is an application of scientific procedures towards acquiring of answers to wide variety of research questions. Methodology comprises of a set of techniques through which researchers approach and carry out inquiries into a problem.

3.1 Sampling Procedure

The population selected in this study was from women affiliated to ZCSMBA in Lusaka. The sample size was derived at using simple random sampling procedure and a total of 30 women were selected. Simple random procedure was employed because of the following reasons:

- Each element is given a non zero chance of being selected
- A sampling frame is provided and because it is quick and easy.
- Prejudice and biases is minimal
- It is easy to detect errors
- It is cheaper in terms of representation

3.2 Data Collection Techniques

This research used close-ended and open-ended questionnaires. Questionnaires were found suitable because they are flexible and can be used to gather information on any topic from large or small numbers of people. They also allow large amount of data to be collected in relatively short period of time and are inexpensive to administer. In addition they guarantee anonymity there by encouraging frank answers from respondents. On the other hand they do not allow the respondents to quantify answers to ambiguous questions. They are also subject to bias and late responses or no responses at all.

3.3 Data Analysis

The main aim for data analysis is to summarize observations of data in such a manner that they provide answers to research question. For this study, the aim was to compare the views of the respondents in order to come up with a broader perspective on the business development services and information offered by ZCSMBA.

Statistical Package for Social Sciences (SPSS), a computer package was used to for data analysis because it gives a compressive solution for reporting, modeling, and analysis of data. Pollen (1991). SPSS is user friendly, allows for both qualitative and quantitative computation of data and allows for tabulations and frequencies of data

3.4 Limitations of the Study

The major limitation to this study was the lack of co-operation among respondents. Some of the respondents were skeptical to answer the questionnaires. Also it was difficult to locate the business women as most of them do not have designated business premises in addition; the sampling frame used only indicated their cell phone numbers. Furthermore, financial constraints were a limitation as the respondents had to called to schedule an interview and also transport costs to follow them.

CHAPTER FOUR

4.0 Introduction

A total number of 30 questionnaires were distributed and all were returned. This research therefore recorded a 100% response. The information gathered in this study will be representative of the problems faced by women entrepreneurs in Lusaka due to lack of information.

4.1 Characteristics of the Respondents

Most of the respondents who were 40% were above the age of 42, 23 % said they were between the ages of 31-35, 20% were between the ages of 25-30, while 10% were between the ages of 18-24. The least age group with the least number of respondents was that between 36-41 and had a score of 7%. A question was asked to determine the levels of education of the respondents. The study reveals that the majority of the respondents which is 40% had attained the level of college, while 23 %of them had attained junior secondary level. 17% had attained the university level. Primary and senior secondary level had equal number of respondents which is 10%. Furthermore, 47% who were the majority said they were married while 37% were single, 10% of the respondents were widows and 7% were divorced.

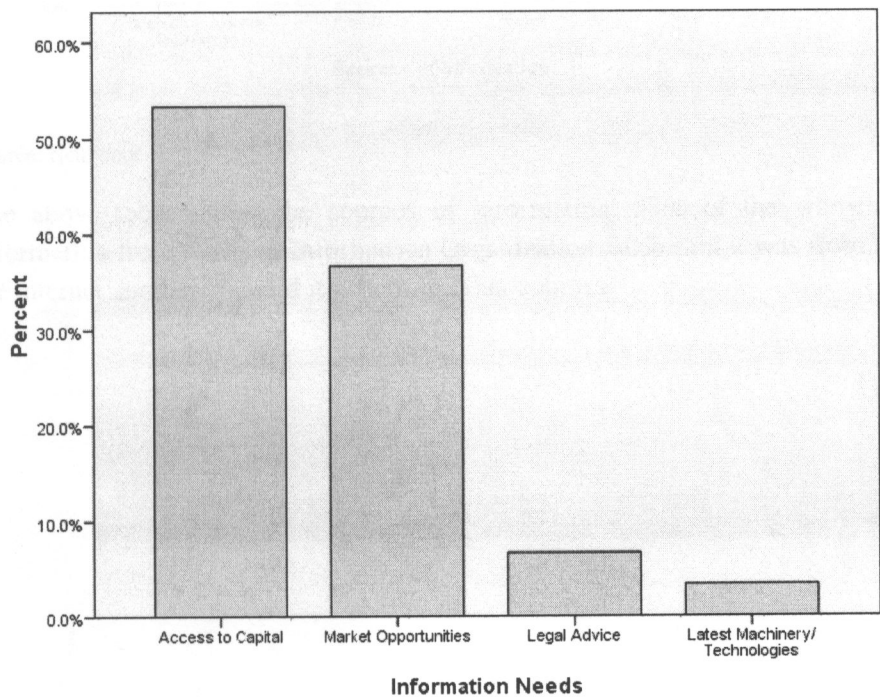
To establish the number of employees that the business women in the study had a question was asked and it was revealed that the majority of the respondents who are 70% percent said they had between 0-10 employees, 17% said they had between 11-50 and 13% said they had between 50-100 employees. In Addition, most of the respondents who were 60% said they had been in business for less than 5years while 23% said that they had been in business for between 5-10years, 13% said they had been in business for between 10-15 years and 3% said they had been operating there business for between 15-20 years. Furthermore, most (43%) of the women entrepreneurs interviewed the study said they owned manufacturing businesses, 20% owned service provision businesses, 17% owned agriculture related business, 13% said they owned

retail/wholesale business and the study revealed that 7% specified that they owned crafts businesses.

Lastly 33% of the respondents earned between K1000000-K20000000, annually from their businesses, 9% earned between K60000000-K90000000, 23% earned K1000000 and below while 10% earned between K30000000-k50000000 and only 3% earned above K100000000 annually

4.2 Information Needs and effectiveness of ZCSMBA

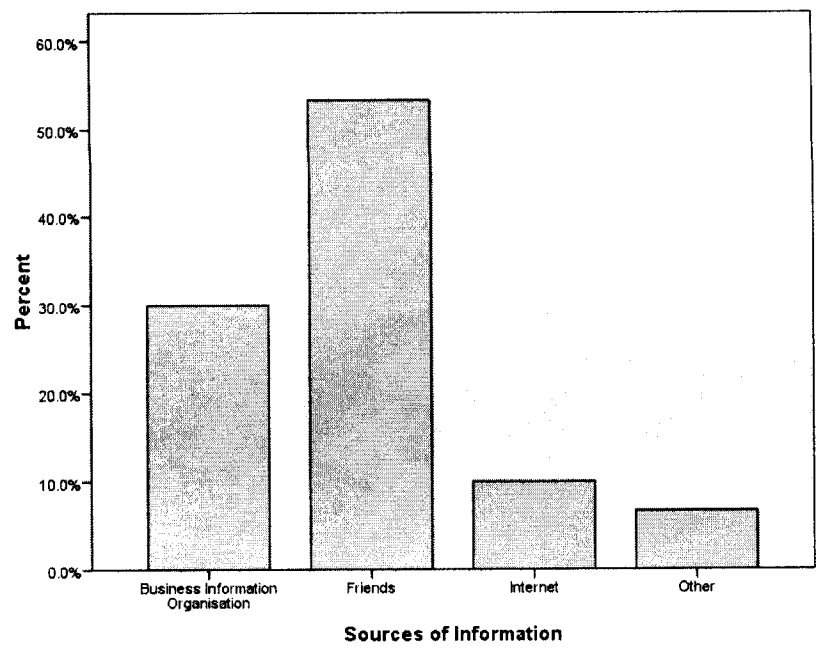
Table 1



Source: field data

The above table shows the business information needs of the business women interviewed in the study. The majority who were 53% of the women said they needed information on access to capital, 37% said they needed information on market opportunities, 7% said they needed information on legal advice and only 3% said they needed information on latest technologies.

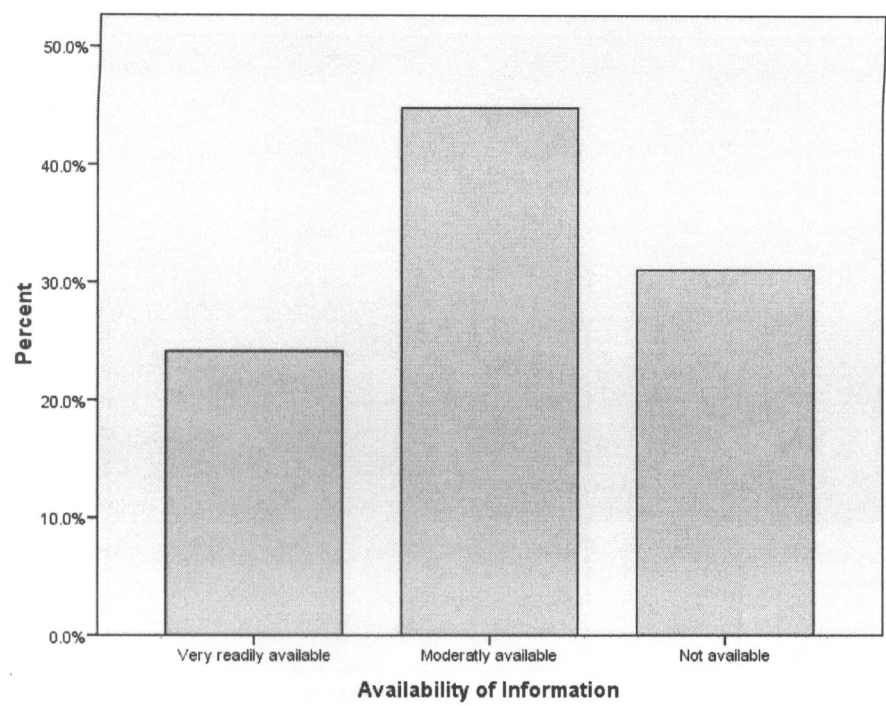
Table 2



Source: field data

The above table shows the sources of information. 53% of the women sampled said they get the information from business Information Organization. 30% said it was from friends. 10% said it was from the internet another 7% said it was from other sources.

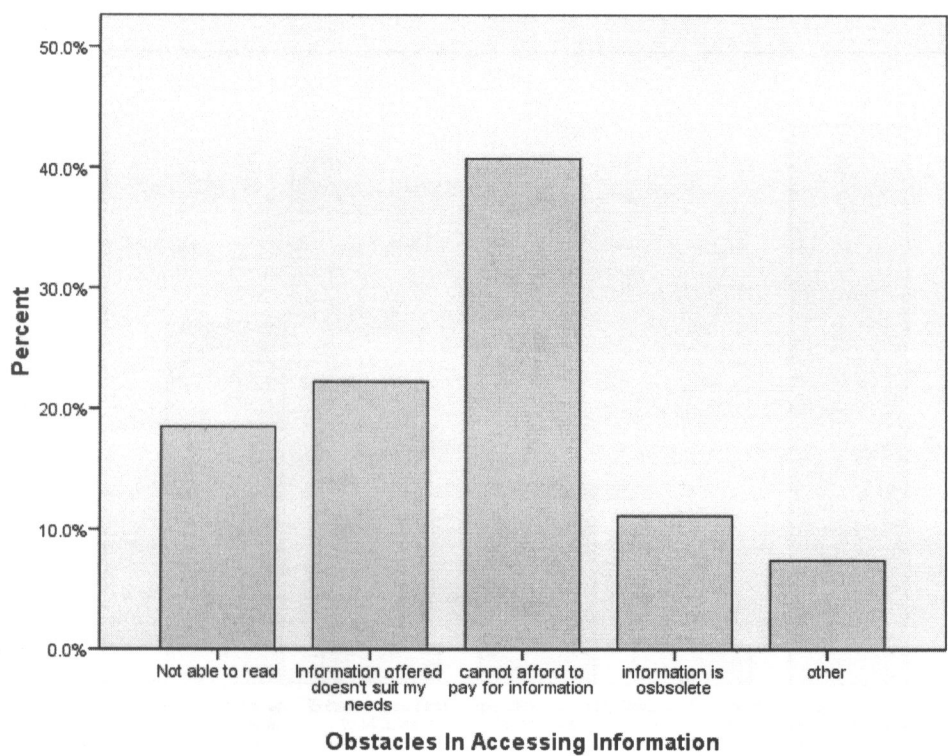
Table 3



Source: field data

The above table shows the data on how the respondents viewed the availability of information. 43% said the information was moderately available, 30% said the information was not available while 23% said it was readily available.

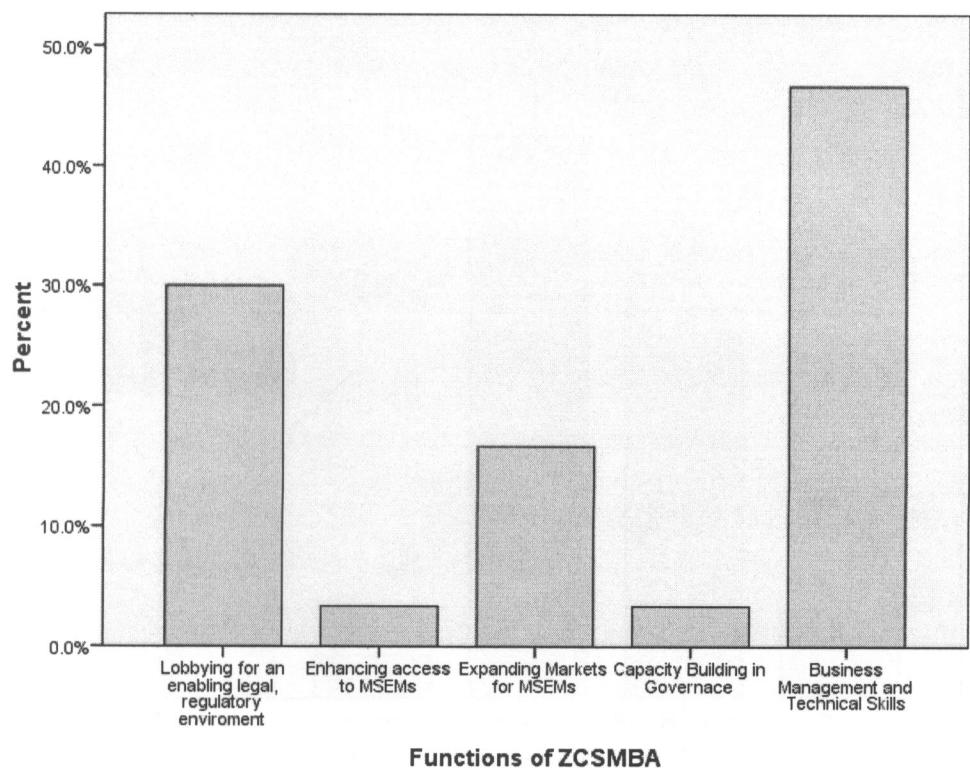
Table 4



Source: field data

The table above shows the obstacles in access information. 37% said they could not afford the information, 20% said the information offered didn't suit their information needs, 17% said they were illiterate and therefore could not comprehend the information. 10% said the information was outdated, 7% cited other reasons such as that of inappropriate communications channels. And 10% did not respond to the question.

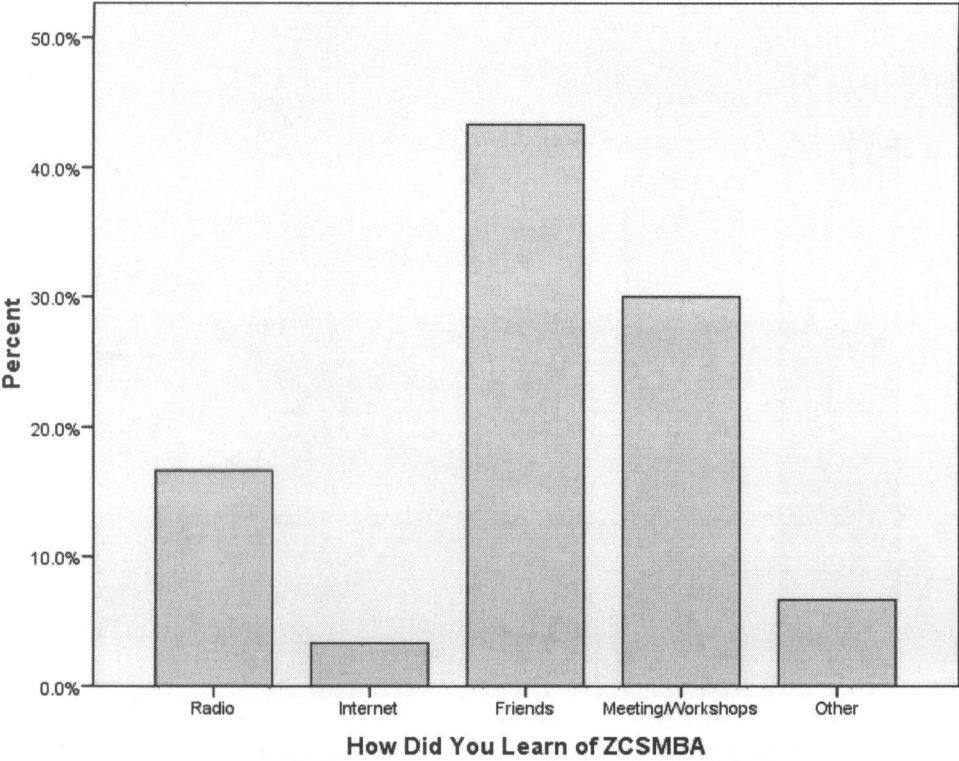
Table 5



Source: field data

The above table shows the business women’s sampled in the study knowledge on the functions of ZCSMBA. The majority who were 40% said they knew of the business management technical skills that the organization offers. 30% of the respondents said they knew about the organization lobbying for an enabling legal, regulatory environment. 17% said they that the organization expands markets for MSEs. An equal number of respondents who were 30% said they knew about the organization offering Capacity building in governance services and Enhancing Markets for MSEs. And 7% did not respond to the question

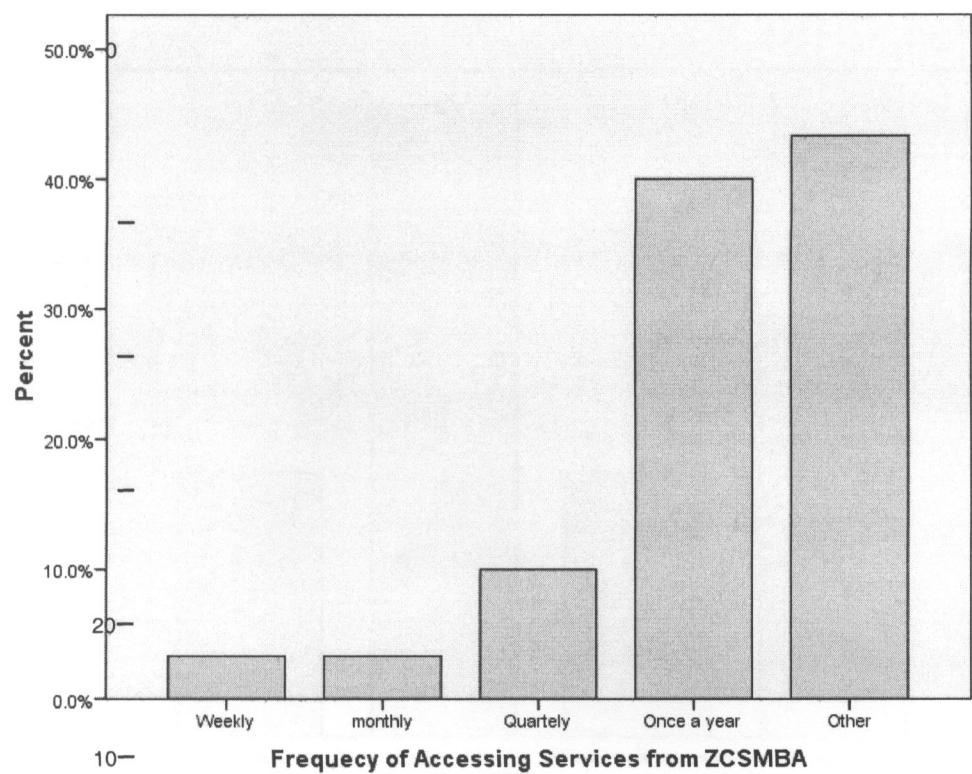
Table 6



Source: field data

The table above shows statistics on how the respondents came to know of ZCSMBA. The majority who were 40% said it was through friends, 30% said it was through meetings/workshops. 17% said it was through the radio, 7% said it was through organizations that they are affiliated to such as WEDAZ , 3% said it was through the internet 3% did not answer the question.

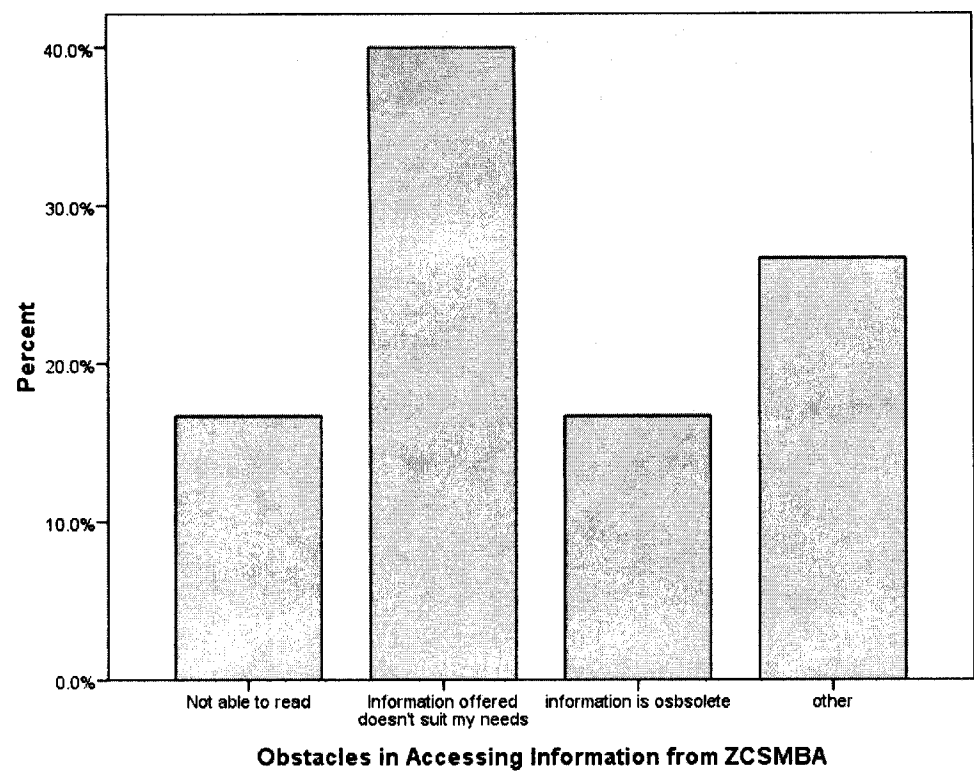
Table 7



Source: field data

The above table shows the frequency at which the women entrepreneurs use services from ZCSMBA. The majority of them said they accessed the services when they were invited for instance through workshops. 40% said it was once a year, while 10% said they use the services quarterly while those who use the services on a weekly and monthly bases had the same score which was 3.3%

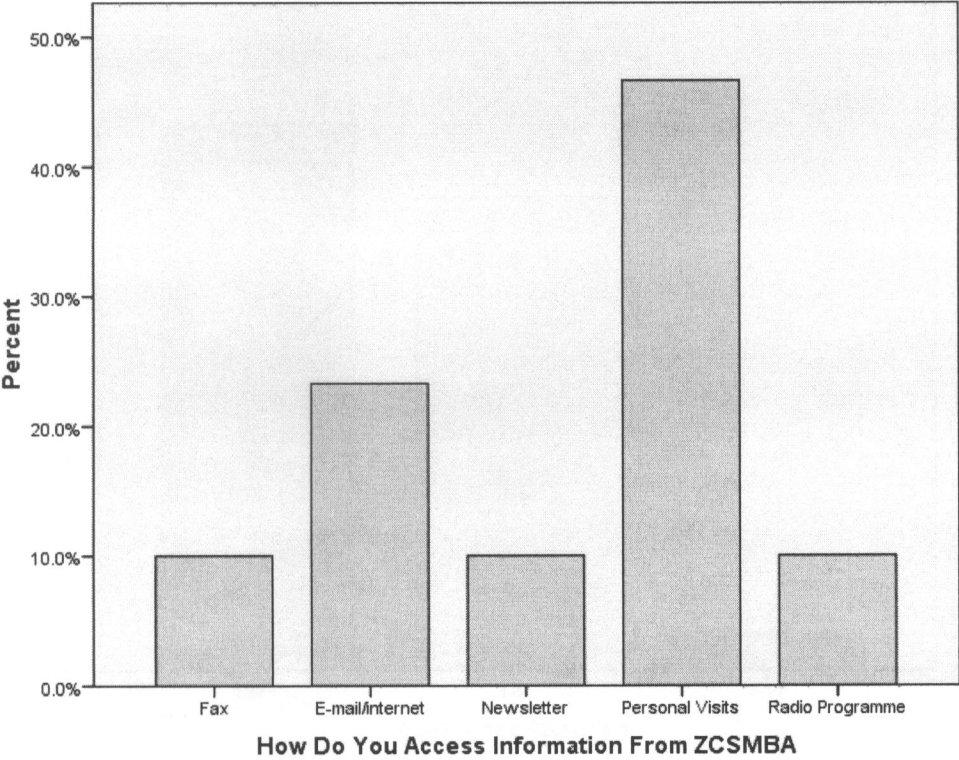
Table 8



Source: field data

The table above shows the obstacles faced by the respondents in access information from ZCSMBA. 40% said the information offered didn't suit their information needs 27% cited other obstacles such as bottle necks in information dissemination by leaders in organizations they belong to such as WEDAZ 17% said they could not read and comprehend the information and 27% said the information was outdated/obsolete.

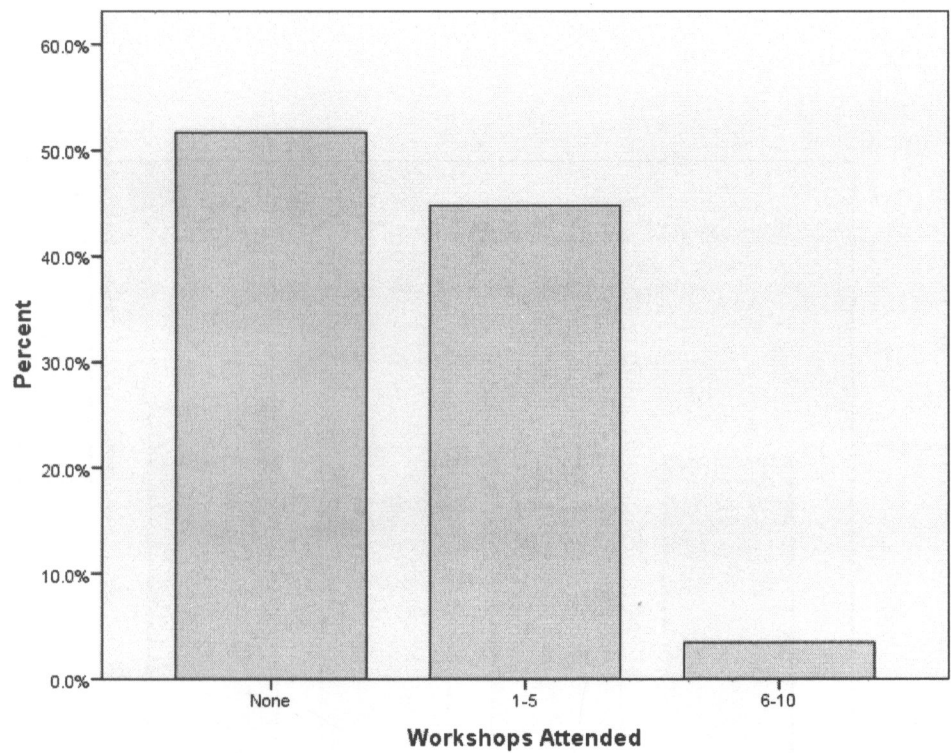
Table 9



Sources: field data

The above table shows how the respondents access information from ZCSMBA. The majority 47% said it was through personal visits to the organization, 23% said it was through the internet/e-mail. Those who access the information through fax, Newsletters and the radio program all had equal scores of 10%

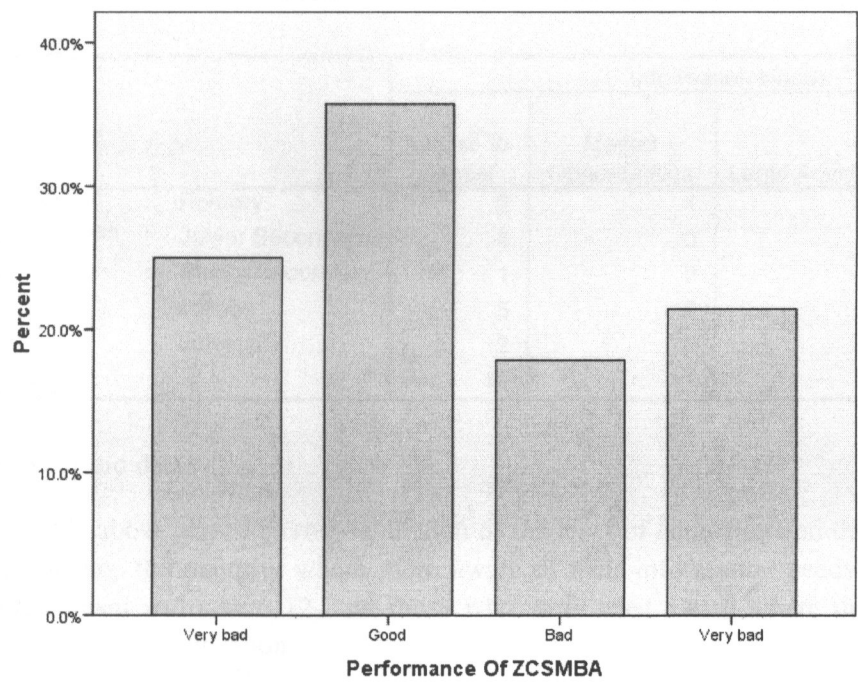
Table 10



Source: field data

The above table shows the number of workshops attended by the respondents in the past year. The majority who were 50% said they had not attended any workshops. 43% said they had attended between 1-5 workshops and 3% said they had attended between 6-10 workshops.

Table 11



Source: field data

The above table shows data on how the respondents said they rate the performance of ZCSMBA. 33% said it was Good, 23% said it was very good while 20% said ZCSMBA's performance was very bad and 17% said the performance was bad 7% did not answer the question.

4.3 Cross- tabulated tables

Table 12

Level of Education * Information Needs Crosstabulation

Count		Information Needs				Total
		Access to Capital	Market Opportunities	Legal Advice	Latest Machinery/ Technologies	
Level of Education	Primary	2	1	0	0	3
	Junior Secondary	6	0	1	0	7
	Senior Secondary	1	2	0	0	3
	college	5	6	0	1	12
	university	2	2	1	0	5
Total		16	11	2	1	30

Source: field data

The table above shows a cross-tabulation of the level of education and the information needs. Out of 30 respondents, the majority were more aware of their information needs where those who had attained college level and where 12. and those who were least aware were those who had only reached the primary level of education.

4.4 Recommendations by the Respondents

Lastly, the majority of the respondents who were 57% recommended that ZCSMBA should increase sensitization on its operations and services. 20% said the organization should make information more accessible, 10% said they should train/ educate women and youths on business development. Another 10% said the government should fund the operations and 3% said they should organize more workshops.

CHAPTER 5

DISCUSSION OF FINDINGS

5.0 Background Information

From the study it was found that most of the respondents who were 40% were above the age of 42, 23 % were between the ages of 31-35, 20% were between the ages of 25-30, while 10% were between the ages of 18-24. The least age group with the least number of respondents was that between the ages of 36-41 which had a score of 7%. These figures show that most of the women in business are aged above the age of 31 and had a total score of 70% and it can also be noted that young women who in this case are youths aged below the age of 31 years are also actively involved in business and had a total score of 30%. The findings show that older women are more likely to start business than the younger ones. In addition, 47% which is the majority of the respondents said were married while 37% were single. 10% of the respondents were widows and 7% were divorced. These findings are similar to the research carried out by the United Nations Conference on Trade and Development and the United Nations Industrial Development Organization in Zambia in 2000 based on 35 women entrepreneurs revealed that middle aged women start business in order to supplement their husband's incomes and also because they head households/ are UN married. In addition, the impact of HIV/AIDS has lead to most house-holds female headed and women have taken up dual roles of both mother and father. It is for this reasons that women have started businesses.

From the findings education can be noted as one of the obstacles by the business women sampled in the study in identifying information needs, accessing the information and using it to grow and expand a business. From the findings it can be seen that there is a link between information needs and the level of education. As the table 12 shows that those who had attained the college

level know their information needs than those who had only attained primary school level. From the findings it can be right to say that the higher the educational level, the more aware one is on their information needs and how to utilize the information to make sound decisions to improve their businesses. In addition, it can be noted that the higher the educational level, the more willing one is to be affiliated/ belong to an organization that provides business development information and services.

The research sought to find out the category of enterprises for instance (micro, small, medium enterprise) that the respondents belonged to and Zambia development agency defines (ZDA) Micro-enterprises are those with less 10 workers, small enterprises have from 11 to 50 workers, and medium enterprises have from 51 to 100 workers. From the findings it can be noted that the majority of the business women who were 70% fell under the small entrepreneurs' category who had between 0-10 employees, 17% said they between 11-50 and fell in the medium category group and 13% said they had between 50-100 employees and fall in the medium scale entrepreneur's category. One attribute to this can be the lack of business information that can stimulate the business to grow from small to large firms. In addition, most of the respondents who were 60% said they had been in business for less than 5 years and only 3% said they had been in operation for more than 20 years. Most business fails to mature for instance from small to medium enterprises and collapse due to lack of information and business development services.

Furthermore, the majority of the respondents said they earn between K10 000 000 and K20 000 000 and only 3.3% said they earn above K100 000 000 from their businesses. The low earnings can be attributed to the lack of information on capital to diversify their business, lack of information on markets and also on competitors. According to ZDA, these the earnings are below expected as levels of income generated annual because for instance, micro enterprises are to have an annual turnover of K100 000 000, small scale enterprises are expected to have a turnover of between K151 000 000 and lastly medium scale enterprises should have an annual turnover of between K300 000 000. Although these are the expected figures the findings of this

study revealed that only 1 individual (3%) said they earned above K100 000 000 annually from their business.

5.2 Information needs

A question was asked to establish the information needs of the respondents and the findings reveal that majority of them who were 53% said they needed information on access to capital, 37% said they needed information on Market opportunities, 7% said they needed Legal Advice and only 3% said they needed information on Latest machinery/ Technologies. This is similar to a study done by Carter (2000) who identified four areas of financing that previous research has noted can pose particular problems for women. Firstly, women may be disadvantaged in their ability to raise start-up finance. Second, guarantees required for external finance may be beyond the scope of most women's personal assets and credit track record. Third, once a business is established, finance may be more difficult for female entrepreneurs to rise than for their male counterparts, because of the greater difficulties that women face in penetrating informal financial networks. Finally, the relationship between female entrepreneurs and bankers may suffer from sexual stereotyping and discrimination. Certainly, recent evidence suggests that female entrepreneurs use substantially less Capital at start-up than male owners, although intra-sect oral similarities demonstrate that gender was only one of a number of variables affecting the business financing Process (Carter and Rosa, 1998).

Furthermore, in trying to establish the main sources of the information the women in this study use in their business, 53.3% of the women sampled said they get the information from friends 30% said it was from business Information Organization 10% said it was from the internet another 6.7% did not specify the source. These findings reveal that business information organization in this case ZCSMBA is not fully utilized as a source of information needed for business development. This is similar to a study done by Virkus and Tamre (1996) which revealed that most of the information on business organizations is gathered through informal channels such as friends, colleagues and relatives and that business information organizations are the last places people seek information from.

In addition, in relation to the availability of information from the various sources, most of the respondents who were 43% said the information was moderately available, 30% said the information was not available while 23% said it was readily available and 3% didn't respond/answer the question. Another question was asked as to why information was moderately not utilized in their business and In answering this question, 37% said they could not afford the information, 20% said the information offered didn't suit their information needs, 17 said they were illiterate and therefore could not comprehend the information. 10% said the information was outdated, 7% cited other reasons such as that of inappropriate communications channels. And 10% did not respond to the question. The findings on non utilization of information is similar to a study done in Botswana that revealed study reviewed that a lot of women lack business information on small scale businesses and were not aware of their information needs and how information can support their business activities

In addition, the findings on information being expensive can be linked to a study done by Dixon in 1994 to investigate the demand and supply of information in the small business sector in west Lancashire in Britain revealed that few business managers recognize a need for information or appreciate its value to their activities. Generally, financial and cost constraints limit the information seeking behavior of firms, explaining the general lack of awareness by small firms explaining the general lack of awareness by small firms of the range of resources available to them. The findings also indicate the prevalent preference of local and informal sources of information. Dixon notes that although the level of services the enterprise demonstrates that of information is as important part of business planning and development.

Information was sought on the type of business development services and information that ZCSMBA offers to its users. The objective was to establish whether the organization has effectively marketed its services and to find out how well the members knew about it.

The organization offers the following services, Lobbying or an enabling legal, regulatory, microeconomic environment for MSMEs ,Networking, linking and facilitation of demand/supply

of business and financial development services aimed at service, Capacity building support in governance, business management and technical skills development through tailor made training program that are based on results of detailed training needs assessments. It also offers access to finance and strengthen support MSEMs through strategic partnerships with banks and micro finance institutions, Expanding market opportunities for specific categories of small enterprises. From the findings, it can be noted that most of the respondents were not aware of the services it offers and majority who were 40% said they knew of business management technical skills that the organization offers. Only 30% of the respondents said they knew about the organization lobbying for an enabling legal, regulatory environment. 17% said they knew that the organization expands markets for MSEMs. An equal number of respondents who were 30% said they knew about the organization offering Capacity building in governance services and Enhancing Markets for MSEMs. And 7% did not respond to the question. It can future be said that the lack of knowledge on the services that ZCSMBA offers among the respondents shows that information is not being disseminated to the beneficiaries and the users were not aware of how they could use the information and the business development services offered by ZCSMBA in there businesses. In addition, a question was asked on how the respondents learnt of ZCSMBA this was to establish if the organization was well publicized. The majority who were 40% said it was through friends, 30% said it was through meetings/workshops 17% said it was through the radio, 7% said it was through other organization such as WEDAZ and 3% said it was through the internet. 3% did not answer the question.

It can be noted that, the formal modes of publicity have not been effective as most of the respondents came to learn of it through informal means such as that of through friends. It can also be said that workshops though good have disadvantages because they are not held on a regular basis and do not draw a large attendance and are usually on invitation and therefore a large number of users do not know about them.

According to Alter (1996), information must be accessible for it to be used. Any barriers that hinder the smooth access to information will result in poor communication and information flow which may cause problems for the user. With this regard, a total, number of 60% of the respondents said the information was moderately accessible and not accessible while 36% said it

was readily available. In addition, 40% cited information not being suitable for their needs as the biggest barrier in its utilization, 40% said the information offered didn't suit their information needs 27% cited other obstacles such as bottle necks in information flow by authorities in organizations they belong to. For instance the women belonging to WEDAZ said they did not access information because the leaders do not disseminate the information needed to run their businesses to the members. In addition 17% of the respondents said they could not read and comprehend the information while another 17% said the information was outdated. And 10% did not respond to the question

A question was asked on how the respondents access information from the organization. The majority 47% said it was through personal visits to the organization, 23% said it was through the internet/e-mail. Those who access the information through fax Newsletters and the radio program all had equal scores of 10%. From the findings, it can be seen that one factor that has contributed to information not being accessible is the fact that the majority of the respondents accessing the information through personal visits to the organization which can be very cumbersome.

Finally on rating the performance of ZCSMBA, the findings show that 33% the respondent rated the performance of ZCSMBA as good, 23% said it was very good while 20% said ZCSMBA's performance was very bad and 17% said the performance was bad. 7% did not answer the question. In addition, most of the respondents said a lot has to be to improve the flow of information. For instance, the majority of the respondents said the organization should increase sensitization on its operations and services. 20% said the organization should make information more accessible. 10% said they should train/ educate women and youths on business development. Another 10% said the government should fund the operations and 3% said they should organize more workshops.

5.3 CONCLUSION

This chapter brings out issues that have been raised in the study and the recommendations that require attention if ZCSMBA is to perform according to aspirations of beneficiaries

The study sought to evaluate ZCSMBA's performance in its quest to provide information and business development services to SMEs in Lusaka. To do this literature was reviewed and 30 women were sampled to take part in the study.

In conclusion, it was discovered that the lack of information in business is the major obstacle in business development among the respondents and that ZCSMBA has not been fully utilized as an organization that provides this information by the respondents.

According to (ZAD) SMEs are the bulk of the businesses in Zambia yet are denied an opportunity to participate and contribute effectively to the economic development of Zambia because they fail to grow into large scale businesses especially women's enterprises. Furthermore, Zambia has a liberalized economy that creates a conducive environment for greater competition, technology transfer and easy access to foreign capital among business organization in order to expand their operations. This can be achieved by allowing all business in the country access this information. Furthermore, SMEs are the means to empower the wider community to contribute to the development of Zambia.

6.2 RECOMMENDATIONS

- ZCSMBA should improve on the accessibility of information and also make it adequate and current so it meets the needs of the users.
- It should also commercialize information by adding more information on its website
- ZCSMBA should also create a database with different information to meet the diverse information needs of the users.
- ZCSMBA should also come up with a program that will aim at educating the users/ business community on its objectives and the benefits they would get by having access to information.
- Information on the operations and services offered by ZCSMBA should be made available through other business organization that is continually in touch with the

business community. Examples of organizations include ZDA, WEDAZ, Zambia Investment Center, and Small Scale Entrepreneurs Board.

THE UNIVERSITY OF ZAMBIA
SCHOOL OF EDUCATION
DEPARTMENT OF LIBRARY & INFORMATION STUDIES

Dear Respondents,

I am a student at the University of Zambia, Great East Road Campus. I am conducting a research to evaluate the provision of business development services and information offered by Zambia Chamber of Small and Medium Business Association (ZCSMBA) to small and medium scale business women in Lusaka.

Through random selection you have been scientifically selected to participate in this study, your cooperation will be greatly appreciated. I guarantee the uttermost confidence with the information you will provide in this questionnaire.

My sincere gratitude for your assistance.

INSTRUCTIONS

Read the questions carefully and cross [x] the most appropriate responses in the space provided

Background Information

1. Age Group

- | | | | |
|-----------|-------|-------------|-------|
| 1. 18-24 | [] | 4. 36-41 | [] |
| 2. 25-30 | [] | 5. above 42 | [] |
| 3. 31- 35 | [] | | |

2. Level of education

- | | | | |
|---------------------|-------|---------------|-------|
| 1. Primary | [] | 4. college | [] |
| 2. Junior secondary | [] | 5. university | [] |
| 3. Senior second | [] | | |

3. Marital Status

- | | | | |
|------------|-------|-------------|-------|
| 1. Single | [] | 4. divorced | [] |
| 2. Married | [] | 5. widowed | [] |

4. How many employees do you have if any?

- | | |
|-----------|-------|
| 1. 0-10 | [] |
| 2. 11-50 | [] |
| 3. 50-100 | [] |

5. How long have you been operating your business?

- | | | | |
|----------------|-------|-------------------|-------|
| 1. 1-5 years | [] | 4. 15-20 years | [] |
| 2. 5-10 years | [] | 5. above 20 years | [] |
| 3. 10-15 years | [] | | |

6. Which of the following best describes the type of business you operate?

- | | | |
|-------------------------|-------|-----------------------|
| 1. Manufacturing | [] | 5. other Specify..... |
| 2. Agriculture | [] | |
| 3. Retailing/ wholesale | [] | |
| 4. Service | [] | |

7. Approximately how much money do you generate from your business annually?

- | | | | |
|-----------------------------|--------|---------------------------|--------|
| 1. K1 000 000 and below | [] | 5.60 000 0000-80 0000 000 | [] |
| 2. K1 000 000- 20 000 000 | [] | 6.Above 100 000 000 | [] |
| 3. K20 000 000- 40 000 000 | [] | | |
| 4. K 40 000 000- 60 000 000 | [] | | |

Information Needs

8. What type of information do you require in your business?

- | | | | |
|----------------------------|--------|---------------------------------|--------|
| 1. Access to capital | [] | 5.latest machinery/technologies | [] |
| 2. Market opportunities | [] | 6.other specify..... | |
| 3. Legal advice | [] | | |
| 4. Sources of raw material | [] | | |

9. What are the main sources of information you have stated in question 8?

- | | |
|--------------------------------------|--------|
| 1. Business information organization | [] |
| 2. Friends | [] |
| 3. Internet | [] |
| 4. Other specify..... | |

10. Is the information and business development services you need readily available?

- | | |
|---------------------------|--------|
| 1. Very readily available | [] |
| 2. Moderately available | [] |
| 3. Not readily available | [] |

11. If the information is not readily available. What in your opinion hinders you from obtaining the information you require in your business?

- | | |
|--|--------|
| 1. Not able to read/ illiteracy | [] |
| 2. Information offered does not suit your needs | [] |
| 3. Cannot afford to pay for information/ its expensive | [] |
| 4. Information is not updated/ it's obsolete | [] |

5. Other specify.....

12. What are the functions of ZCSMBA?

- | | |
|--|--------|
| 1. Lobbying for an enabling legal, regulatory, environment for MSME | [] |
| 2 Enhancing access to finance for MSEM | [] |
| 3. Expanding markets for MSEM | [] |
| 4. Networking, linking and facilitation of business financial services | [] |
| 5. Capacity building in governance | [] |
| 6. Business management and technical skills through training | [] |

13. How did you learn of ZCSMBA?

- | | | | |
|------------------------|--------|-----------------------|--------|
| 1. Radio | [] | 4.meeting/workshops | [] |
| 2. Internet | [] | 5 others specify..... | |
| 3. Friends | [] | | |
| 4. Meetings/ workshops | [] | | |

14. How often do you make use of the services offered by ZCSMBA?

- | | | | |
|--------------|--------|------------------|--------|
| 1. Weekly | [] | 4. Once a year | [] |
| 2. Monthly | [] | 5. Other specify | [] |
| 3. Quarterly | [] | | |

15. Are the business development services and information offered by ZCSMBA readily available?

- | | |
|---------------------------|--------|
| 1. Very readily available | [] |
| 2. Moderately available | [] |
| 3. Not available | [] |

16. If you answered not available or moderately available to question 14. What in your opinion hinders you from obtaining the information from ZCSMBA?

- | | |
|--|--------|
| 1. Not able to read/ illiteracy | [] |
| 2. Information offered does not suit your needs | [] |
| 3. Cannot afford to pay for information/ its expensive | [] |
| 4. Information is not updated/ it's obsolete | [] |

5. Other specify.....

17. How do you access the information from ZCSMBA?

1. Fax []

2. E-mail []

3. Newsletter []

4. Personal visits []

5. Internet []

6. Radio program []

18. How many business development training workshops organized by ZCSMBA have you attended in the last year?

1. None []

2. 1-5 []

3. 5-10 []

4. More than 10 []

19. How would you rate the performance of ZCSMBA in meeting your information needs?

1. Very good []

2. Good []

3. Bad []

4. Very bad []

20. In your opinion what should be done to improve the services offered by ZCSMBA?

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