

Full Length Research

Utilization of information among Small Scale Entrepreneurs (SSEs) in Niger State, Nigeria

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The study identifies the utilization of information source available to small scale entrepreneurs (SSES), how they utilize and organized their resources. A survey research method was used for the study, 900 small scale entrepreneurs were sampled as subject of the study. Questionnaire, observation and oral interview were used as instrument for data collection. Frequency count, simple percentages were used for data analysis. The study discovered that single ownership is the most popular form of business ownership by the SSEs and that respondent engaged themselves in business activities of provision store. Trade partnership/suppliers was the main source of business information, respondents indicate marketing information and sources of raw materials. Extent of the use of business information showed that majority of the respondents indicated financial information. Recommendation was proffered.

Keywords: utilization of information, small scale entrepreneurs (SSES), Business Information

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INTRODUCTION

The importance of information to a business development cannot be over emphasized; relevant information must be collected, selected, organized and disseminated for the purpose of achieving particular goals or objectives. The acquisition, processing and dissemination of proper information require an investment in information infrastructures, facilities and human capacity in order to undertake or provide relevant information needed to management for decision making. This scenario calls for the institutionalization of Management Information

Systems that collect process and disseminate information to management for effective decision making.

Small business is common in many countries, depending on the economic system in operation. Typical examples include; convenience stores, other small shops, (such as a bakery, hairdressers, tradesmen, lawyers accountants, guest houses, photographers, small-scale manufacturing).

The smallest businesses, often located in private homes, are called micro-businesses (term used by

international organizations such as the World Bank and the International Finance corporation). The term "mom and pop business" is a common colloquial expression for a single-family operated business with few (or no) employees other than the owners. When judged by the number of employees, the American and the European definitions of a micro-business are the same, under 10 employees. There is a notable trend to further segment different size micro-businesses. For instances, the term very Small Business is now being used to refer to businesses that are the smallest of the smallest, such as those operated completely by one person or by 1-3 employees.

Conclusively, Government in both developed and developing countries are giving special attention to the promotion of small and medium enterprises (SMEs) as they considered the providers of bulk of employment as well as their substantial contribution to exports and innovative activity. Consequently, government is investing considerable efforts and resource in supporting SME growth and development. Many Societies place great value on the business entrepreneurship in order to encourage their activities; they may be offered access to inexpensive capital, tax exemption and management advice. An entrepreneur has the greatest chance of success by focusing on a market niche either too new to have been noticed by established businesses. Business Information is information that assists in buying and selling of goods and services and the application of economic and managerial techniques. Business information encompasses the range of published and unpublished business information materials which are available to the businessman to aid him in reach commercial judgments and discussions. It also means a company's correspondence file, build up over year of training. Business information plays a vital role in the success of any business organization.

Statement of the Problem

Information is vital in any organization due to its features to decision making and quick result in an organization. The major constraints to the growth and development of SMEs in developing countries like Nigeria include: limited access to finance, limited access to business training, technological limitations, and limited access to markets, poor transport infrastructure and limited business management skills. Access to information is also a major factor in the development of SMEs. However, access to information is not often given the same attention as other constraints facing SSEs. The few studies on information provision to SSEs in developing countries reveal that there are gaps in the demand for, and supply of business information. SSEs are limited in their capacity to access business information either through lack of knowledge or

technology, low levels of education or because of the nature of business that they operate.

As a result, this study is undertaken to examine the utilization of information among the small scale enterprises (SSEs) in Niger state.

Research Questions

The research answered the following research questions:

1. What are the sources of information for small scale enterprises (SSEs) in Niger State?
2. How does the SSES in Niger State utilize their information?
3. To what extent do the SSES in Niger State utilize their information?

Objectives of the Study

The study was carried out to accomplish the following objectives:

1. To identify the sources of information for SSEs in Niger State.
2. To determine the extent of use of information by SSEs in Niger State.
3. Identify the preservation techniques of information used by SSEs in Niger State.

Business Entrepreneurship in Nigeria

Entrepreneurs in Nigeria are expected to use information for proper planning, controlling and carrying out duties. They need to know that resources such as finance, people, machinery and equipment, property and customers it has. Entrepreneurs also need information about the market which they operate and the actions of the competitors. At the planning stage, information is important to entrepreneurs as a key ingredient in decision making. Misbahu (2008) stated that access to international markets is the only way to booting the local, Macro, Small and Medium Scale Enterprises (MSME). The President, National Association of Small Scale Industrialist (NASSI) posits that access to international market and consistent policies that result in driving entrepreneurs to productive ventures and improve services and trading activities would improve the MSME in Nigeria. Sanusi (2008) pointed out that the Nigeria MEMEs are faced with the problems of lack of access to domestic and international market as well as difficulty information in terms of source of funds, and in terms of available incentives. Therefore the needs of MSME in the area of having access to credits and other financial

Table 1. Small Scale Entrepreneurs

S/NO	Small Scale Entrepreneurs
1.	Business centre
2.	Fast food shop
3.	Medical/Pharmacy
4.	Leather goods & services
5.	Photography
6.	Bakery
7.	Poultry
8.	Tailoring
9.	Building materials
10.	Automobile parts shop
11.	Saloon
12.	Electric store
13.	Provision store
14.	Bookshop
15.	Printer
Total	15

supports for the promotion of local industries cannot be overemphasized. The government has nothing to lose allocation enough resources for the development of MSME, because apart from reduction of unemployment, it will go a long way in promoting local products.

The Nigeria entrepreneurs need support for proper recording s in order to measure and analyses their performance in their sales, cost and profits for success and entrepreneurial decision making. Optimum performance of Nigeria entrepreneur in small scale industries is achievable in the area of creativity, willingness to make decision, risk management, persistence and independence if business information is sufficiently available and accessible to them.

Business Information

When collecting information in business, one should be aware of two types of information: internal information and external information. Gathering internal and external information pertaining to ay business is a vital element of managing information in business. Internally generated information is the information that is found within the business. It includes employee schedules, availability and skills, project deadlines, maintains and capability of technological equipment and accounts payable and receivable. Firms generate and use information about their own internal workings: production and sales figures, stock of raw materials, work in progress and finished goods, financial indicators and development reports, and more. Much of this information is quantitative in nature, especially in financial area. These lead to the development of computer systems for handling such data

(Kaye, 1991).

External information is information one would find outside the workplace and includes information on competitive companies, potential for market growth. In order to survive, let along flourish, the entrepreneur must understand, respond to and manipulate its environments.

The gathering of internal and external information will require the application of various forms of communication such as telephone communication, written communication and virtual communication. The means of communication has changed greatly over the last several years. In the past it includes face to face interaction, the written correspondence; it the expanded to include the fax machine, handsets, e-mail and video conferencing. The pace of communication has grown incredibly. However, the Glencoe Professional Communication series (2003) holds that it is important to understand that even with the advent of e-mail, the written letter is often used in business.

METHODOLOGY

A survey research method was used for as the population consists of SSME spread across the three geo-political zones in the state. Nine hundred (900) small scale entrepreneurs were sampled as subjects of the study. Table 1

A total of 900 copies of structure type of questionnaire was designed into section A, B, C, & D. section A was on demographic factors, section B was source of information while section C was on extents of the use of information. Section D was designed to determine preservation and techniques of information used. Oral interview and observation were also used to collect data. Descriptive statistics was used to analyze data.

Response Rate

A total of 900 copies of questionnaire were retrieved and found fit for analysis. This represent 84.7% response rate. This response rate was attributed to the researcher's efforts in administering the instrument personally and subsequent follow-up for completion and return of the instrument.

Forms of Business Ownership

The entrepreneurs were requested to indicate their form of business ownership and their responses were captured in Table 2.

It appears from Table 2 that the bulk of the respondents owned their business through single (individual) ownership with 287 (37.7) response score. It is surprising

Table 2: Forms of Business Ownership

S/No	Form of ownership	Frequency	Percentage (%)
1	Single ownership	459	60.2
2	Partnership owned by 2-20 people	287	37.7
3	Legally incorporated entity	16	20.1
Total		762	100

Table 3: Types of business activities

S/No	Business activities	Frequency	Percentage (%)
1	Business centre	68	8.9
2	Fast food shop	78	10.2
3	Medical/pharmacy shop	62	8.1
4	Leather goods and services	20	2.6
5	Photography	22	3.8
6	Bakery	23	3.9
7	Poultry	90	11.8
8	Tailoring	72	9.5
9	Building material	41	4.1
10	Automobile parts shop	22	2.9
11	Saloon	31	4.1
12	Electronic store	29	3.8
13	Provision store	126	16.9
14	Bookshop	52	6.8
15	Printer	26	2.7
Total		762	100

to note that only 25% (16) entrepreneurs have their business legally incorporated. There is a very unfortunate development in the contemporary world of business.

Types of Business Activities

A follow-up question was asked to determine the type of business activities engaged by the entrepreneurs.

Majority of respondents engaged themselves on provision store and few of them engaged on leather, goods and services. Table 3

Business Information Sources

The respondents were also asked to indicate their sources of business information and their responses were captured in Table 4

Business Information Sources

It was observed by the study (Figure 1) that libraries and conferences are the least used information sources by the entrepreneurs. These types of result are unexpected, because libraries are supposed to be the centre of focus of community members when it comes to information provision. At this juncture one can speculate as to whether the libraries do not respond positively to the information requirements of the business entrepreneurs. Therefore, the libraries need to become alive in their responsibilities of providing information services and resources for the SSEs

Types of Business Information

This Question was asked in order to determine the types of information used by the respondents. They were also

Table 4:

S/No	Information source	Frequency	Percentage (%)
1	Internet/electronic database	270	11.7
2	Trade partnership/suppliers	671	29.1
3	Personal friends/family members	373	16.2
4	Industrial development centers	216	9.4
5	Local government	102	4.4
6	Library	20	0.9
7	Magazines/Newspapers/Journals	462	20
8	Memo	72	3.1
9	Notice board	96	4.2
10	Conferences/Meeting	26	1.1
	Total	1,840	100

Table 5: Types of business information

S/NO	Types of Information	Frequency	Percentage (%)
1	Marketing information	460	25
2	Production information	420	22.0
3	Training information	37	2.0
4	Financial information	426	23.2
5	Policy information	20	1.1
6	Sources of raw material	457	24.8
7	Regulation/ Standards	20	1.1
	Total	762	100

asked to tick as many as possible. Table 5

Types of Business Information

Figure 2 above indicates that business entrepreneur needs information on marketing 460 (25%), sources of raw materials 457(24.8%) and financial information 426(23.2%). This shows that they need information on where and how to get market and gain competitive advantage over other competitors and also information about where to get raw materials for production and information on where to secure more funds to expand their business outfits.

However, it is unfortunate to note that the entrepreneurs do not require much information about policy, regulation and standards. This could be the reasons why many entrepreneurs were found wanting by the regulatory agencies such as the Standards Organization of Nigeria (SON), National Agency for Food

Drugs Administration & Control (NAFDAC) among others.

Extent of use of information

Likerts scale was used to determine the extent of use of business information by the respondents. Their responses in Table 6 collapsed from five levels to three level scales for easy discussion and comprehension

The research discovered from the table above those entrepreneurs found marketing (83.5), production (69.6), sources of raw material (78.5) and financial information (73.6) very useful. These findings were in perfect agreement with the previous findings in Table 5. Similarly the research found that entrepreneurs do not consider regulations/standards (49.9), policy information (29.1) and training (23.3) as useful type of information. This finding is also in perfect positive correlation with the findings in Table 5. The entrepreneurs therefore need to identify the importance of policy information and standards or regulations.

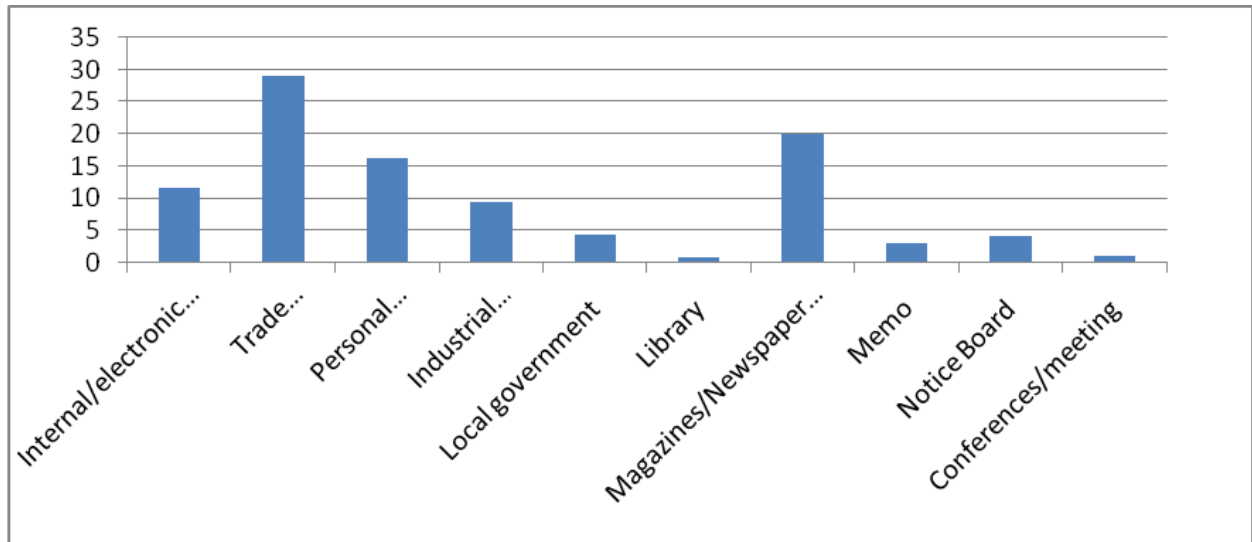


Figure 1.

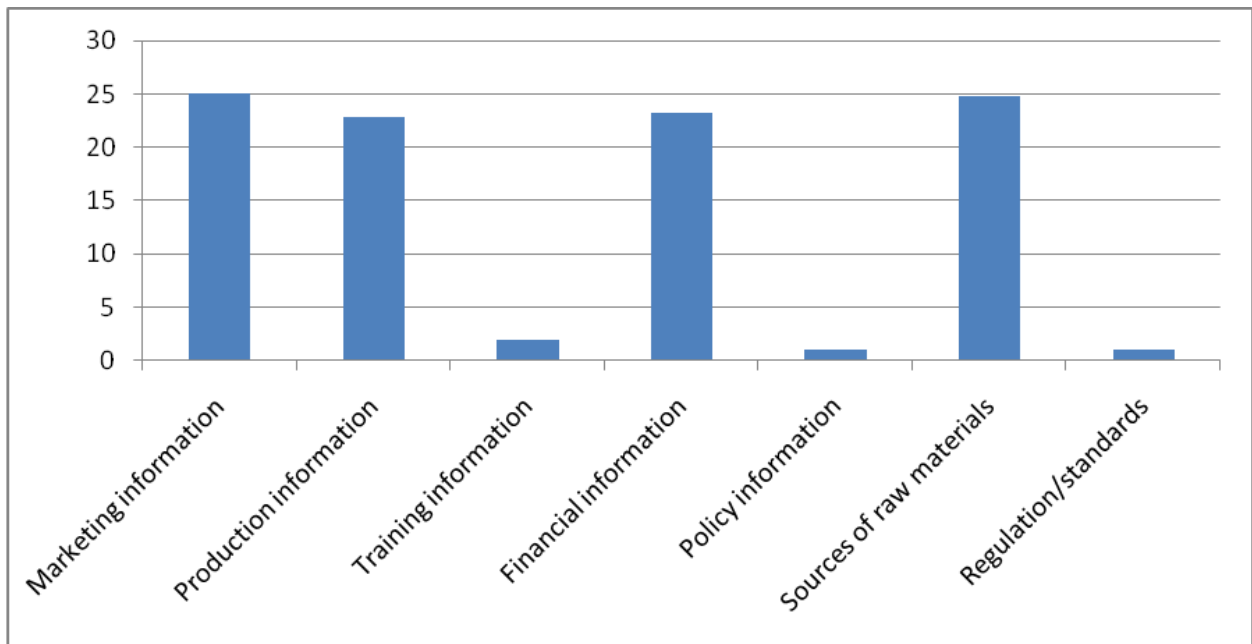


Figure 2.

DISCUSSION OF RESULT

Results show that the larger number of business activity was on the provision store. It was discovered that the sources of information was on trade partnership/suppliers. This finding disagrees with that of Aloli (2004) who discovered that the source of information for rural women was mostly through friends, relatives and neighbours. Rural women mostly engaged in food crop

production.

The study findings showed that the SME engages in marketing information and sources of raw material as types of business information used. This finding also deviates from that of Aloli (2004) as above. On the extent of the use of business information, the study found that financial information was useful. This contradict the finding by Ibrahim (2007) who discovered ICT was neither adopted nor utilized by Small and

Table 6: Extent of use of Business Information

S/NO	Type of Business information	Useful	Not useful	Undecided
1	Marketing information	637(83.5)	98(12.8)	27(3.5)
2	Production information	513(69.6)	117(15.4)	132(17.3)
3	Training information	170(22.3)	200(26.2)	392(51.4)
4	Financial information	661(73.6)	70(9.2)	31(4.0)
5	Policy information	224(29.1)	316(41.5)	202(26.5)
6	Regulations/Standards	380(49.9)	196(25.7)	186(24.4)
7	Sources or raw materials	598(78.5)	96(12.5)	68(8.9)

Medium size enterprises in Northern Nigeria.

Ibrahim in a study on awareness, adoption and use of ICT by 34 small and 21 medium size enterprises in Northern Nigeria reported that majority of respondents indicated that the level of awareness of ICT was high. In the area of adoption and utilization of ICT, majority of the respondents indicated that the ICT was neither adopted nor utilized.

CONCLUSION

Information is an indispensable and essential ingredient in today's social economic, industrial, political and technological development. It is very apparent today that without information no meaningful development can be achieved. It's a vehicle of development in all areas and sphere of human Endeavour. Small scale entrepreneurs in Niger state obtain most of their information from the sales agents. Most of them make intensive use of records of sales invoices which give many businesses a satisfactory appraisal and help the keep their business running. They also keep record of their goods which mostly done by their sales assistants and agents.

RECOMMENDATIONS

In the light of the findings of the study, the study recommends:

1. The enhancement of quality of business information services through provision of information in key areas like finance, marketing, training, promotion and access to technology by SSEs.
2. The use of mass media for advertisement by the SSEs should be subsidized.
3. Mobilization of more resources within business service organization to support business information outreach activities.

4. The use of ICT in business information society, storage, use and its dissemination by SSEs.

5. Facilitating more business linkages among SSEs and big business and tendering system to enhance access to information and economic base.

6. Develop outlets for creating awareness of the availability of business information.

7. The introduction of business entrepreneurship education in library schools.

8. Library should re-direct its focus to the provision of business information since business entrepreneurs form a significant part of its audience.

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