Assessment of Business Information Access Problems in Uganda

Constant Okello-Obura
Lecturer, Department of Information Science
Makerere University Kampala Uganda

Mabel K. Minishi-Majanja
Senior Lecturer, Department of Information Science
University of South Africa, Pretoria

Linda Cloete
Senior Lecturer, Department of Information Science
University of South Africa, Pretoria

J.R. Ikoja-Odongo
Professor, Department of Information Science
Makerere University Kampala Uganda

Abstract

Effective utilization of quality business information is crucial in attaining long-term and sustainable economic growth of the Small and Medium Enterprises (SMEs). It is established that SMEs in northern Uganda operate in a business environment that is characterized by fragmented and incomplete information. It is a situation where an awareness of markets, technology, policies, regulations and finance is limited because businesses fail to receive timely business information. This article reports a portion of the results of a larger study using a descriptive design with survey research and other techniques. The study examined the problems SMEs in northern Uganda face in accessing business information; identified problems information providers face in providing business information to the SMEs in the region and attempted to establish whether SMEs in northern Uganda use public libraries in accessing business information as should be expected. The study’s respondents included the SMEs, information providers and business policy makers with the response rate of 87.3%; 72% and 85% respectively. The article proposes strategic interventions for business information to be accessed by the SMEs. It concludes that there is a need for Uganda and, in particular, northern Uganda to develop a strategy for business information access by the SMEs.

Keywords: Business information services, business information access, small scale business enterprises, Northern Uganda, information utilization, business information access problems
Introduction

Small and Medium Enterprises (SMEs) need to have access to adequate information to enhance productivity and to facilitate market access. The establishment of an active SMEs sector and the effective utilization of quality business information have been identified as crucial in attaining long-term and sustainable economic growth for developed and developing countries, alike (Corps 2005). However, in most developing countries, the SMEs sector suffers from inadequacies in the provision of business information, which is only available from stand-alone institutions; is often slow and cumbersome to access; is limited in scope; and is not provided in an integrated manner (UNIDO 2005). SMEs need tailor-made information solutions - i.e. business information services that assess, verify and apply information to a specific business problem.

In Uganda, the economy has great potential. Endowed with significant natural resources, including ample fertile land, regular rainfall, and mineral deposits, it appeared poised for rapid economic growth and development at independence. However, chronic political instability and erratic economic management produced a record of persistent economic decline that left Uganda among the world's poorest and least-developed countries (United States, Bureau of African Affairs 2007). This situation can be averted by effectively promoting the involvement of the engine of economic growth, the SMEs, in national and international businesses. The international involvement of SMEs requires accurate and adequate access to relevant business information. Based on that, a study was conducted to establish strategies for designing a viable business information system for the SMEs. One of the issues was the problems SMEs face in accessing business information in Uganda with specific reference to northern Uganda. This article therefore reports on the study of the problems SMEs face and measures to address them. However, before the details of study are given, it is imperative that a brief background to the economic development of Uganda with respect to northern Uganda is examined.

Brief Background to Uganda’s Economic Development with Specific Reference to Northern Uganda

According to newafrica.com (1999), Uganda (a country 241,038 sq. kilometres in size) has settled down politically, and is on the path to economic recovery. The Government of Uganda has been implementing an ambitious and successful programme of macro-economic adjustment and structural reform since 1987 – with strong support from multilateral and bilateral creditors and donors. The government’s continued implementation of appropriate fiscal and monetary policies – and its programme of substantial economic liberalisation – has maintained high growth, low inflation, a steadily improving balance of payments and an increasingly vibrant and diversified private sector (Uganda Ministry of Finance, Planning and Economic Development 1). During the 2003/04 financial year, Uganda’s economy registered strong growth of 6 % compared to a growth

Although the government’s initiative to fight poverty through its Poverty Eradication Action Plan (PEAP) and Poverty Action Plan (PAP) is yielding results, there is still evidence of poverty despite the Gross Domestic Product (GDP) growth. The international poverty line is $1 per day and, according to the World Bank (64) and Uganda, Ministry of Finance, Planning and Economic Development (12), 37.7% of Ugandans live below the poverty line, with the highest incidences being in northern Uganda (63.6%). A third of the chronically poor — and the disproportionate number of households that are moving back into poverty — are in northern Uganda (Mukasa and Masiga 2003). The situation is made even worse by the civil war that has now lasted for over 20 years. In the rural areas of the north, 81% of the population have a real per capita monthly income of less than 6,000 Uganda Shillings (approx. US $3.3), which translates into 200 Uganda shillings or approximately US $0.11 per day, and 42% have a real per capita monthly expenditure of less than 3,000 Uganda shillings (approximately US $ 1.6) — that is 100 Uganda shillings or approximately US $0.05 per day (World Bank 9). A recent survey by the Ugandan Ministry of Finance, Planning and Economic Development (13) indicates that northern Uganda has experienced increasing poverty from 60% in 1997/8 to 63.6% in 2002/3. While most parts of the country shared in the benefits of growth between 1992 and 2000, northern Uganda was left behind (Uganda, Ministry of Finance and Economic Development 8). Also — with respect to the spread of a cash economy — the central, the southern and south-eastern regions of Uganda have more advantages than northern Uganda. Notable among these advantages is that the central, southern and south-eastern regions of Uganda have more direct access to national economic activities with Kenya and Tanzania, rather than with the Sudan and the Democratic Republic of Congo — both before and after independence (Uganda, Ministry of Finance, Planning and Economic Development 2). The disadvantage that northern Uganda experiences — in not having easy access to many economic activities — is one of the reasons why the focus of this study is on the districts in the northern region.

Leading manufacturers in Uganda, such as Coca-Cola, Pepsi, Mukwano, Uganda Breweries, Nile Breweries, Britannia, Rafiki, Bata Uganda Ltd, British American Tobacco (BAT), Royal Foam and Vita Foam, Mobile Telephone Network (MTN) Uganda Ltd, National Water and Sewerage Corporation, Uganda Revenue Authority, Pride Africa and Private Sector Foundation, have opened regional outlets in northern Uganda to give the region an opportunity to do well in business. However, much more is still required in terms of information access because one of the weaknesses of Uganda’s economic development is poor information systems (Uganda, Ministry of Planning and Economic Development, 49). Business enterprises do not have enterprise libraries. The information infrastructure, including premises and communication networks, are poor. The penetration of the information economy in Uganda is generally poor compared to
the developed countries (World Bank 318). For the SMEs to effectively participate in both the national and global economy, the problems hindering access to relevant business information should be addressed.

**Problem in focus**

According to Ladzani (2001), the priority ranking of the SMEs’ needs, clearly puts information provision at the top of the list of services to be provided. The SMEs’ development is hampered by an “information-poor” environment. Market signals on business opportunities, customer trends, methods of organisation, etc., are not communicated, effectively, to the SMEs (Ladzani 2001). The SMEs perform better in information-rich environments (Moyi 2000 and Ladzani 2001). If the SMEs are crucial for poverty eradication this could confirm why there is a high level of poverty in northern Uganda. The SMEs in northern Uganda operate in information-poor environments. This is not because there is no information, but because there is a lack of an efficient, formal information system to address their information needs coupled with problems that affect accessibility to information.

According to Shokane (55), information is a crucial resource in gaining a sustainable, competitive advantage for modern business enterprises. Despite this importance and improvement in economic development in Uganda, economic agents in northern Uganda operate in a business environment characterised by fragmented and incomplete information where an awareness of markets, technology, policies, regulations and finance is limited. Businesses in northern Uganda fail to receive timely business information (Cochrane 6). There is no meaningful information system in place to facilitate efficient and effective access to business information by business enterprises. Traders and other small companies are simply “out of the loop” in developing strategic business relationships that occur more frequently in Uganda’s capital city, Kampala (Cochrane 6). A recent study by the Ugandan Bureau of Statistics (2005:30) established that the majority of business enterprises depended on “word of mouth”. This could imply that the SMEs are facing a number of problems in accessing business information. If so, what are these problems and what are the solutions? These are identified in Section 4 and solutions proposed in section 6.

**Objectives of the Study**

The objectives of this study were to:

- identify the problems SMEs in northern Uganda face in accessing business information
- identify problems information providers face in providing business information to the SMEs in northern Uganda
- establish whether SMEs in northern Uganda use public libraries in accessing business information, and if not, why not?
- establish the extent to which SMEs are satisfied with business information provision in northern Uganda
• propose strategic measures to address the problems SMEs face in accessing business information in northern Uganda

Review of Relevant Literature

This section makes a review of the relevant literature on major problems affecting accessibility to business information in developing countries.

Business Information Accessibility Problems

To ensure the institution of effective procedural means of providing and accessing business information, problems that affect access need to be established and corrective measures put in place. Meyers, Nathan and Saxton (2006) note that even in the most information-rich contexts, one finds barriers to information seeking. While we often think of information barriers in terms of physical limits to access (e.g., a lack of information resources or the means to retrieve them), information seeking can be hampered in multiple ways (Meyers, Nathan and Saxton 2006).

To clearly reveal the problems that business enterprises face in accessing relevant business information, it is important to put into context how business information support services relate to one another. Figure 1 shows the business information support relationships between the business community and other partners. An analysis of Figure 1 shows that Government, Donor Agencies and Society/public are key stakeholders in business information generation and/or provision. It is also now almost impossible to isolate the business community from Information and Communication Technologies (ICTs) when we talk of information provision because of the roles ICTs, especially the Internet and telephone services, play in information provision. The demand of the market will always put pressure on the need for quality business information.

![Figure 1: Business Information Support Relationships](image-url)
A combination of social, economic, political, cultural and personality clashes have continued to impinge, negatively, on the efforts of governments, organisations and individuals to create a necessary awareness for business community development (Uhegbu 240). As argued by Larvin and Zelko (3) - and considering the structure in Figure 1 above and further observation by Ellen (2), problems affecting access to business information - coupled with the institutional framework of different support institutions/agents which intervene in the business enterprises' information provision environment - include a lack of a shared and coordinated vision; management problems within the sector; societal problems; institutional, physical and perception problems; and a lack of skills. These problems are explained in the following sections.

**Lack of a shared and coordinated vision**

For the majority of developing countries and countries in transition, there is a problem of strategic national and regional vision regarding business enterprises - a deficiency visible at various levels. This is due to three factors: the broad diversity in the sector in terms of businesses and productive segments; poor communications within the sector; and low levels of organisation (Larvin and Zelko 3). In overall terms, poor organisation leads to a weakened ability to communicate within the sector and externally. Information flows among the different actors in the business sector are quite inadequate. There is normally no coordination/integration of business communities for the promotion of information exchange - essential for sector cohesion. This lack of information and knowledge are particularly troubling in the case of decision-makers who lack the basic information necessary to define the laws and regulations affecting their businesses. This adversely affects entire business performances especially when there is no creative policy and regulatory framework to stimulate development in this sector.

In some countries, there is no system of incentives; no specific provision to strengthen the organisational and administrative capacities of most business enterprises; and no provision to simplify the legal framework within which businesses should operate - a legal framework that should enhance accessibility to information and provide an atmosphere of fair competition. A study carried out by Uhegbu in Nigeria in 2001 reveals that unhealthy rivalry among traditional institutions, town or community development unions and the constituent parts of the community often frustrates efforts to encourage community information dissemination. The consequence of this failure is that most of these enterprises remain lodged in the informal sector - without any significant possibilities of developing – thereby, increasing their costs; excluding them from the global
business scene; and perpetuating a vicious cycle of lack of - or inadequate - relevant information and knowledge.

**Management problems within the business sector at the level of both individual entrepreneurs and support programmes**

In developing countries, there are not enough resources and mechanisms available within the business sector for obtaining and processing information which would be useful to business enterprises for making business decisions (Larvin and Zelko 3). This can be explained, principally, by the fact that activities, such as market intelligence are relatively novel in the business sector of developing countries. This is why there are still no specialised intermediaries, such as information brokers. The limited flow of information in this sector leads to insufficient knowledge and weaknesses - in terms of business structures and management in productive units. According to Giggey (2002), “information matters, in general, are still missing from the agenda of public policy- makers in Africa.” That is not to say that an information policy is not important. If there is none in place, there is a greater chance of lack of co-operation and co-ordination of efforts to accessibility to information.

Management problems take a broader form. For example, the commitment of government in providing information is important. If the government is committed, the training of business managers in information handling and access would feature prominently within the government’s information literacy programmes. This would enhance business managers’ skills and expertise in information seeking and acquisition.

**Societal problems**

Access to various sources of information; the ability to convert resources into investments; assurance about future returns from present investment; and other people’s behaviour *vis-à-vis* one’s own, are influenced by historical and society norms. Linguistic and cultural diversity is part of the societal barrier to information accessibility (Odini 24). Attitudes towards new knowledge and information are shaped by the setup of a society or community (Gupta 1). This impedes the availability of information necessary to making the correct decisions in businesses in the community. In other words, information should be supplied in the language/s understood by the business community.

**Institutional problems**

Institutional problems refer to the incapacity and/or unwillingness of an information provider to deliver needed information to a certain type of seeker (Larvin and Zelko 3). This may be because of a limited knowledge-base of both business information providers and the business communities. It is, normally, an institutional problem where the staff is not well-trained in business librarianship or
the users/business enterprises are not inducted into service delivery mechanisms. Training in business librarianship is a subject of debate. Liu (2000) argues that most librarians - working as business librarians - lack subject training in business fields, like accounting, management, economics, finance, banking and quantitative methods, which affects their performance, adversely. In addition to the training of the business librarians, some of the institutional problems include the location and structures of the institutions that should be providing information to the SMEs. For instance, all Chamber of Commerce and Industries locations in northern Uganda leave a lot to be desired. Some do not even have offices. Transactions are handled through telephone calls. Those that have offices are squeezing themselves in small rooms which can hardly accommodate just one shelf for business information materials.

**Physical problems**

Physical problems include infrastructural problems - for example, access to roads, access to telecommunications, problems of transport, etc. An individual is, then, unable to make contact with the appropriate information providers due to some physical problems. In African countries, lack of physical resources and information infrastructure is common. Most rural communities in Africa, for example, do not have rural libraries which are considered one of the most effective ways of disseminating information to the people (Uhegbu 240). Where any exist, they are poorly funded, stocked, managed and appreciated.

**Perception problems**

Perception problems occur when individuals are unable to perceive their needs as informational in nature and fail to obtain needed information from appropriate providers (Larvin and Zelko 3). This is coupled with poor perceptions and deep-rooted scepticism of some rural business communities on how essential information is for community improvement (Uhegbu 239). The problem of perception is more serious with illiterate SME managers. These managers see libraries and Internet cafes as places for the elite, not knowing that a well trained librarian can provide relevant business information to an illiterate user. For example, relevant business information could be repackaged in the local language and produced as a talking book to help the illiterate. Generally the perception problem can be solved with an organised sensitization programme for the SME managers.

**Lack of skills to access relevant information**

Lack of skills is where the individual lacks the necessary training and expertise to acquire information. In most African communities, there is lack of knowledge or skills required to access information. Information illiteracy is common in African societies. Information illiteracy is still a major hindrance to the accessibility to information (Odini 23). It is worth asking whether business managers and
information providers do, themselves, consider lack of skills and expertise in information seeking and acquisition as a problem. This is important, because without adequate will to access the required information less information is accessed and utilised.

In addition to the seven factors given above, Odini (24) argues that other problems that hinder accessibility to information stem from the fact that information services that are provided are, normally, not based on users’ information needs. Most prevailing information systems in developing countries have been designed without a proper analysis of the users’ needs. For example, public libraries do exist in most countries but to what extent do they satisfy the business information needs of the SMEs?

Public library’s role in the provision of business information

An analysis of public libraries’ roles in the provision of business information is considered important in this study because public libraries - although some are poorly located - exist in Uganda and are funded by the government in the hope of serving the entire community/population, including business enterprises. The existence of public libraries creates the impression that the SMEs can benefit from their services to enhance their business prospects. However, Mostert (1999) observes that the greatest weakness of the public library is that it is not addressing the real needs of the communities it is serving - neither through active participation in proactive programmes, nor in the kinds of services it offers to the public. Giggey notes that the western style of library services - inherited by Africa and countries, elsewhere, during colonial times - has not met the information needs of the majority of the people. Giggey further notes that library services - in developing countries - continue to concentrate on printed materials; continue to be reactive rather than pro-active; and are not places for activities that could, in any way, be seen as empowering. This implies that public libraries cannot be relied upon to provide quality and effective business information - unless pro-active service programmes are initiated. This seems to be the situation in northern Uganda.

As in any well-run company, in deciding on what products and services to offer, an efficient library should pay attention to customer demand when it is building up its business reference collection. Primary research tools tend to be company directories, investment/financial reports and loose-leaf services, industry surveys, and business periodical index/abstract/full-text databases which are hardly seen in most public libraries in developing countries (Nixon and Kirkwood). Nothing could be more up-to-the-minute than online access - which is rare in most public libraries in developing countries. In China, for instance, there is no tradition of public library provision to business and public library services - the responsibility of local government under the guidance of the Ministry of Culture – are, generally, limited to educational support, especially for children (Kinnell, Feather and Mathews). Zhong notes that at present the development of public libraries is
in a state of unbalance in China, and the services are generally not impressive. The state of public libraries seems to be the same in most countries. Ghosh notes that public libraries in India are in an abject state and possessing neither regularly renewed print collections nor vibrant non-print multimedia resources that could lure in illiterate or semi-literate folk. The libraries suffer from a variety of infrastructure, manpower and monetary constraints, as well as being low in the priorities of policy makers and implementing bodies (Ghosh). Whatever the situations in public libraries in developing countries, it should be noted that internationally, public libraries are facing fundamental changes due to the information technology (IT) development and digitizing of society and to increasing pressure to reduce the size of public sector, of which most libraries are an integrated part (Aabø).

It should be noted that an in-depth study on the use of public libraries by the business community is beyond the scope of this work. The main focus of this study - regarding public libraries - was to establish whether the business managers of the SMEs visit public libraries for business information and if not, then why not? The findings are reported in section 4.

**Methodology**

The study was conducted in northern Uganda (see Figure 2). Geographically, northern Uganda covers 35% of the total land surface of the country. It is the largest region in size, followed by central Uganda - 25%; western Uganda - 23%; and eastern Uganda - 17% (Uganda, Ministry of Finance, Planning and Economic Development 2002:14). One district from each region was, purposely, selected for this study - based on the number of business enterprises in the district; the security situation in the district; and how old the district is. Districts that were newly created in the 2005/06 financial year were not considered separately, since they still lacked management and administrative structures. The new districts were treated as part of the mother districts where they belonged. The study covered the districts of Ajumani for Madi sub-region; Nebbi for West Nile Region; Gulu for Acholi sub region; Lira for Lango sub region and Kotido for Karamoja Sub-region.

A descriptive research design based on a survey technique was used. The study used three types of respondents, namely SME managers, information providers and business information policy makers to enable the researcher to elicit views from consumers of business information, providers of business information and the government. The total sample size was 251 SMEs [enterprises employing 5-50 (small) and 51-500 (medium)], 75 business information providers that included public libraries, telecentres, resource centres, television stations and radio stations (all of which are involved in the provision of information to the northern Ugandan community), and 25 business policy makers that included District Chairpersons of the Uganda Chamber of Commerce and Industry; District Chief
Administrative Officers; Town Clerks; and Production and Marketing Officers from local government in charge of trade and commerce in each of the districts.

To ensure that the quality of the research instruments met the required standard, a pilot study was conducted before the main study and the results published (Okello-Obura, Minishi-Majanja and Cloete 119). After the pilot study, data were then collected using structured questionnaires for the SMEs and information providers and semi-structured interviews for the business policy makers. Furthermore, data collection also included examining the literature relevant to business information provision and SMEs in Uganda. The questionnaires were administered by the research assistants under careful supervision of the researcher. Thirty minute interviews were conducted with the policy makers.

Coded responses from the questionnaires were analysed, quantitatively, using Epi Info and Statistical Package for the Social Sciences (SPSS) software. SPSS is a well-used computer package in research to calculate effectiveness of study and programmes by performing a variety of statistical analyses and procedures (Taylor 97). Instructions for using the programme are detailed and specific and may be found in the manual. After the questionnaires were returned, the researcher edited all the questionnaires - district by district - to ensure legibility and accuracy.

Data from interviews [unstructured questions] was analysed, using the content analysis method. Content analysis is the systematic, quantitative analysis of communication content - including verbal, visual, print, and electronic communication. In content analysis, "a researcher uses objective and systematic counting and recording procedures to produce a quantitative description of the symbolic content in a text" (Neuman 311). In applying content analysis, the researcher identified the themes of the research - based on the objectives of the study - and classified the responses from each respondent, accordingly, so as to come up with a quantitative value that would facilitate decision-making. Classification simplified the task of obtaining a quantitative value from what policy makers said about the problems SMEs face in accessing relevant business information.
Figure 2: Map of Uganda Showing the Study Area

Findings

The section reports on the findings based on the objectives of the study.

Profiles of the respondents

Of the targeted sample of 251 SMEs, 219 respondents participated in the study - giving a response rate of 87.3%; of the targeted 75 information providers, 54 participated - giving a response rate of 72%; and of the targeted 20 business policy makers, 17 participated - giving a response rate of 85%. Generally, there was a high response rate for the study.
**Gender, Age, Education, Years of business experience and Location**

The SME managers who participated were 73.4% male and 26.6% female. The information providers who participated were 81.1% male and 18.9% female. Business policy makers who participated were 94.1% male and only 5.9% female. The findings show that there are still very few females in managerial positions in business enterprises, information provision and at the business policy decision level. A notable finding relates to ages, of the 219 SME managers, the largest percentage (46.3%) fall in the age bracket of 21-30 years followed by 31-40 years (27.1%) and the least, 51 years and above (5%).

For information providers the findings show that those who fall in the age bracket of 15-20 years are 9.3%, 21-30 years are 53.7%, 31-40 years are 20.3%, 41-50 years are 9.3% and 51 years and above are 7.4%. An analysis of the ages shows that the largest percentage of both the SME managers and the information providers fall in the age bracket of 21-30 years. This goes up to 40 years before the trend declines. The business policy makers age distribution was as follows: 15-20 years (0%); 21-30 years (23.5%); 31-40 years (47.1%); 41-50 years (29.4%) and 51 and above (0%). This shows that the largest percentage of business policy makers fall in the age bracket of 31-40 years. The findings regarding the educational levels for SME managers show that those who never went to school were 6.4%, primary level were 7.3%, Secondary 33.5%, Technical College 12.8%, Business College 21.6%, Teachers college 5.6% and University were 12.8%. Of the policy makers who participated, 52.9% had Bachelor's degrees [none in the field of Library and Information Sciences], 41.2% had diplomas and 5.9% had a secondary level certificate. Since the findings show that the majority of respondents are literate, this shows that the respondents are in a good position to comprehend business issues and concerns with ease.

**Business Ownership and Business Activities**

In a bid to understand more about the SMEs that are operating in northern Uganda, the SME managers were asked about the ownership of the business enterprises and the business activities carried out by their enterprises. The findings show that the ownership of business enterprises include Sole Proprietorship - 51.4%; Limited Liability Companies - 20.6%; Partnerships - 16.8%; Cooperative Companies - 5.1%; Government-owned - 2.8%; Religious Organisation-owned - 2.3%; and other - 0.9%. These findings indicate that the majority of the business enterprises fall into the Sole Proprietorship and Limited Liability Company categories. Religious organisations and the government own very few business enterprises. It was established that the SMEs are engaged in a variety of business activities. The largest percentage are involved in transport services - 21.5%; Construction - 21%; Lodging Services - 18.3%; and Property Management - 15% (See Figure 3).
The findings show that business activities carried out in northern Uganda are diverse - with the majority being in the service sector. The findings tally with Uganda Bureau of Statistics (2006) which established that in Uganda, the SMEs are mainly involved in wholesale and retail trade, motor vehicle repairs, manufacturing, transport, hotel and restaurants, construction, education and communications. The diversity in business activities is the reason why the SMEs have diverse business information needs that include information on: finance/capital/loans, local markets, business management skills, appropriate technologies, business competitors, security, international markets, foreign exchange, government policies, taxes, incentives and regulations, tender and contracts (Okello-Obura, Minishi-Majanja and Cloete 129).

The information providers who participated are classified as in Figure 4.
Business Information Access Problems

When the SME managers were asked to select from a list of problems that affect accessibility to business information, the results are as given in Table 3.

Table 3: Problems SMEs Face in Accessing Business Information (N=219)

<table>
<thead>
<tr>
<th>Problems faced in accessing business information</th>
<th>Yes (%)</th>
<th>No (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of physical and human resources - e.g., inadequate electricity, lack of trained information professionals</td>
<td>68.1</td>
<td>31.9</td>
</tr>
<tr>
<td>Insecurity in the region</td>
<td>65.3</td>
<td>34.7</td>
</tr>
<tr>
<td>Lack of appropriate technology to access electronic information</td>
<td>56.0</td>
<td>44.0</td>
</tr>
<tr>
<td>It takes too long to get the needed information</td>
<td>47.4</td>
<td>52.6</td>
</tr>
<tr>
<td>Lack of devotion of government to providing information to the business community</td>
<td>45.5</td>
<td>54.5</td>
</tr>
<tr>
<td>There is lack of skills and expertise in information seeking and acquisition</td>
<td>40.5</td>
<td>59.5</td>
</tr>
<tr>
<td>There is no organised information/records management system in our enterprise.</td>
<td>35.2</td>
<td>64.8</td>
</tr>
<tr>
<td>Information received lacks local content to address business information needs</td>
<td>34.4</td>
<td>65.6</td>
</tr>
<tr>
<td>Information is always in a language that is not understandable</td>
<td>17.6</td>
<td>82.4</td>
</tr>
</tbody>
</table>
In Table 3 the results indicate that all the predefined problems do affect the accessibility to business information but most prominent are a lack of physical and human resources - 68.1%; insecurity - 65.3%; and a lack of appropriate technology to get the needed information - 56.0%. Regarding insecurity in the region, one policy maker when asked of the problems SMEs face in accessing business information had this to say: “We try our best but the insecurity caused by the Lords Resistance Army (LRA) in northern Uganda makes it extremely difficult for SMEs managers to move around searching for information. Even some well trained professionals do not want to come and work in northern Uganda because of the insecurity” (Okot).

The issue of the language not being understood does not seem to be a problem for the majority of the SME managers. This is probably because the majority of the SME managers are literate.

Based on document analysis, a number of problems were proposed to the information providers in the questionnaires to select from and the results reflected in Table 4 suggest that the information providers face many problems in the provision of business information to the SMEs.

**Table 4: Problems Information Providers Face in Providing Business Information to SMEs in Northern Uganda (N=54)**

<table>
<thead>
<tr>
<th>Problems</th>
<th>Yes (%)</th>
<th>No (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of physical resources – e.g., inadequate electricity</td>
<td>74.1</td>
<td>25.9</td>
</tr>
<tr>
<td>Lack of appropriate technologies to provide electronic information</td>
<td>70.4</td>
<td>29.6</td>
</tr>
<tr>
<td>Lack of organised system for provision of business information to the business community</td>
<td>63.0</td>
<td>37.0</td>
</tr>
<tr>
<td>Insecurity in the region</td>
<td>59.3</td>
<td>40.7</td>
</tr>
<tr>
<td>Business community is not enthusiastic regarding the need for information</td>
<td>48.1</td>
<td>51.9</td>
</tr>
<tr>
<td>Information received lacks local content to address business needs</td>
<td>46.3</td>
<td>53.7</td>
</tr>
<tr>
<td>Lack of expertise in information seeking and handling by information seekers</td>
<td>46.3</td>
<td>53.7</td>
</tr>
<tr>
<td>Cultural barriers within the community</td>
<td>44.4</td>
<td>55.6</td>
</tr>
<tr>
<td>Lack of skills/expertise in information handling by staff</td>
<td>33.3</td>
<td>66.7</td>
</tr>
</tbody>
</table>

According to the interviews conducted with the business policy makers, a lack of physical resources; a lack of appropriate technologies; and a lack of skills to search for relevant information were cited as the major problems that the SMEs face in business information accessibility in northern Uganda. The business policy makers also cited a lack of clear policy from the government in dealing with the SMEs in Uganda. According to Epilla, the problem is complicated by the fact that there is no policy in place and for the last 10 years, the Ministry of Trade and Industry has never linked, directly, with the districts to aid the provision of business information to the SMEs.
The argument of Epilla is important. This is because the district local
governments are expected to work hand in hand with line ministries to ensure
efficient service delivery. Secondly, line ministries as a statutory body of the
government generate a lot of information which might be very relevant for the
SMEs. Regarding the physical resources that could help in accessibility to
business information, another policy maker, had this to say: the main problem we
have which is general among the SMEs in Uganda is the poor and expensive
telecommunication system. You cannot be doing competitive business when
communication is expensive. Telephone rate and Internet connectivity should be
affordable by most of the SMEs for them to favourably compete (Okot).

If SMEs, especially in northern Uganda are to favourably compete, there is need
to subsidize the telephone rate. Currently for instance Mobile Telephone Network
(MTN) Uganda limited charges approximately United States $ 0.26 per minute.
This is expensive given the deplorable situation northern Uganda is in as
described in Section 1.1.

**Public Libraries and business information provision**

Public libraries as noted under Section 2.2, are traditional avenues that help in
the provision of information to the community. Based on that assumption, it was
necessary for this study to determine whether the business community visited
public libraries for business information - and if not, then why not? The SME
managers were asked whether they visit public libraries for business information
and if not, why don’t they visit?

The pie chart in Figure 5 shows the percentages of the SMEs in northern Uganda
that visited public libraries for business information. Yes shows the percentage of
the respondents who always visit public libraries, sometimes shows the
percentage of those who seldom visit public libraries and No shows the
percentage of those who never visit public libraries for business information.

![Figure 5: SMEs Visiting of Public Libraries for Business Information](image_url)
From Figure 5, it is evident that the majority of the SMEs - 62.4% - do not visit public libraries for business information - only 26.1% sometimes do. When those who do not visit public libraries were asked to state why they did not, the largest percentage - 36.2% - attributed it to a lack of satisfaction in satisfying their business information needs there. Slightly more than 17% attributed it to a lack of ICT facilities and 12.8% said that public libraries were too far away, while 6.6% said that they did not know what a library is.

**Other support organisation in business information provision**

The SMEs were asked whether they accessed business information from some specific organisations considered relevant to business information supply. The results are shown in Table 5.

**Table 5: Access of Business Information from Different Organisations by SMEs (N=217)**

<table>
<thead>
<tr>
<th>Organisations that can supply business information</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uganda Revenue Authority</td>
<td>64.2%</td>
<td>35.8%</td>
</tr>
<tr>
<td>Uganda Chamber of Commerce and Industry</td>
<td>39.6%</td>
<td>60.4%</td>
</tr>
<tr>
<td>Private Sector Foundation</td>
<td>36.4%</td>
<td>63.6%</td>
</tr>
<tr>
<td>Ministry of Finance, Planning and Economic Development</td>
<td>26.5%</td>
<td>73.5%</td>
</tr>
<tr>
<td>Uganda Manufacturers’ Association</td>
<td>25.8%</td>
<td>74.2%</td>
</tr>
<tr>
<td>Uganda Investment Authority</td>
<td>25.8%</td>
<td>74.2%</td>
</tr>
<tr>
<td>Northern Uganda Manufacturers’ Association</td>
<td>25.3%</td>
<td>74.7%</td>
</tr>
<tr>
<td>Ministry of Tourism, Trade and Industry</td>
<td>23%</td>
<td>77%</td>
</tr>
<tr>
<td>National Agricultural Organisation (NARO)</td>
<td>20.8%</td>
<td>79.2%</td>
</tr>
<tr>
<td>Business Information Solutions Network Uganda – BISnet-Uganda</td>
<td>11.1%</td>
<td>88.9%</td>
</tr>
<tr>
<td>Other</td>
<td>14.4%</td>
<td>85.6%</td>
</tr>
</tbody>
</table>

An analysis of Table 5 shows that the Uganda Revenue Authority is the most well-known organisation among the SMEs for business information supply. The findings also indicate that the Northern Uganda Manufacturers’ Association – an organization that should be a popular source of information for the SMEs in northern Uganda - was not. Only 25.3% get information from that association.

**SMEs’ satisfaction with business information provision**

Given these problems, how satisfied, then, are the SMEs with the business information provision? The study attempted to establish the level of satisfaction of the business enterprises with the way business information is provided to the business community in northern Uganda. Before this was determined, SME managers were asked to respond to the questions based on quality factors of information. The responses are summarized in Table 6.
Table 6: Responses in Relation to the Quality of Business Information Accessed by SMEs Managers (N=219)

<table>
<thead>
<tr>
<th>Questions on quality factors of information</th>
<th>Always %</th>
<th>Sometimes %</th>
<th>Never %</th>
</tr>
</thead>
<tbody>
<tr>
<td>i. Do you get the business information you need on time?</td>
<td>25.2</td>
<td>66.5</td>
<td>8.3</td>
</tr>
<tr>
<td>ii. Does the business information you get help you to solve your business needs?</td>
<td>24.2</td>
<td>71.2</td>
<td>4.6</td>
</tr>
<tr>
<td>iii. Is the business information provided understandable?</td>
<td>22.1</td>
<td>63.8</td>
<td>4.1</td>
</tr>
<tr>
<td>iv. Does the business information you get have enough content?</td>
<td>24.8</td>
<td>65.1</td>
<td>10.1</td>
</tr>
<tr>
<td>v. Is the business information you get precise?</td>
<td>37</td>
<td>54.3</td>
<td>8.7</td>
</tr>
<tr>
<td>vi. Do you access the business information you need from a convenient place to your business place of operation?</td>
<td>32.6</td>
<td>54.1</td>
<td>13.3</td>
</tr>
</tbody>
</table>

Much as the aim of information provision should be for users to always access quality information, an analysis of the data in Table 6 (when data in “Sometimes” column is combined with data in the “Never” column) shows that the majority of the SMEs in northern Uganda do not always access quality business information. For instance 74.9% of the respondents do not always access the needed business information in time.

When the SME managers were further asked to generally rate their satisfaction with business information provision, the results were as indicated in Figure 6.

![Figure 6: Rate of Satisfaction of the SME Managers with Business Information Provision](image.png)
The above results indicate that the largest percentage - 42% - are moderately satisfied and that 24% are not at all satisfied.

Discussion

Access to information about market incentives, credit, investment and other profitable opportunities, should be widely available to avoid the isolation of excluded sectors - including the SMEs (Moyi). This implies that access to this information should be enhanced through ease of communication and movement of people. This section thus discusses the findings of the study based on the objectives of the study for strategic interventions to be proposed in section 6.

The first objective of the study was to identify the problems SMEs in northern Uganda face in accessing business information.

Although the SMEs are making a fundamental contribution to Uganda’s economy (United Nations 2002), regrettably they face serious challenges, such as insecurity, inadequate electricity, lack of trained information professionals and a lack of appropriate technology, to access electronic information in northern Uganda - as depicted in Table 3. The problem of electricity is well pronounced in northern Uganda with most districts relying on thermal power which is irregular and expensive compared to the hydro electric power other parts of the country are using. Generally there is inadequate electricity supply in Uganda. Electricity is rationed. The problem of insecurity is well pronounced. Conflict in northern Uganda has persisted over the last 20 years involving the Lord's Resistance Army (LRA). Over 1.6 million people are living in Internally Displaced Persons’ camps (IDP) (Uganda, Ministry of Finance, Planning and Economic Development 2006:9), creating a serious bottleneck in movement to access relevant business information. Rebel insurgency affects all aspects of people’s lives – social, physical and emotional. Property is lost, injuries and death occur and displacement and fear result. The consequences are isolation and limited business opportunities, insecurity, low productivity, low income and increased poverty (Uganda, Ministry of Finance, Planning and Economic Development 2000:125).

The findings also indicate that the SMEs in northern Uganda lack meaningful, organised information/records management systems that facilitate the accessibility of required business information. Most of the business enterprises do not have relevant libraries. When the SMEs were asked about organised information/records management systems in their enterprises, 35.2% of the respondents saw the lack of an organised information/records management system in their enterprises as a hindrance to business information accessibility (see Table 3). This indicates that there is a lack of a shared and coordinated vision to establishing enterprise information systems to facilitate the flow of needed business information among many enterprises. This tallies with the
opinion expressed by Lavrin and Zelko (1) that the problems that affect business enterprises and impinge, negatively, on access to business information include the lack of a shared and coordinated vision as well as management problems within the sector - at both the level of individual entrepreneurs and that of support programmes.

Moyi argues that impediments to information flow generate transaction costs. For instance, if there is no nearby business information source for an enterprise, an employee might be forced to travel some distance in search of the information and costs are incurred in these movements. Either formal or informal institutions - available within the confines of the enterprise – would usually absorb such costs, indirectly. It would be the responsibility of the information provider to travel to look for the information that the SMEs want. The findings reported in Table 5, show that most institutions that should have provided business information to the SMEs, such as the Uganda Chamber of Commerce and Industry, the Northern Uganda Manufacturers Association, the Ministry of Tourism, Trade and Industry, etc., are not widely known to the SMEs. Only the Uganda Revenue Authority is known and this could, probably, be because of its role in taxation. This situation suggests that there are limited formal mechanisms that support the flow and exchange of information in the SMEs sector.

Gumede and Rasmussen argue that support institutions or intermediaries must concentrate, largely, on the dissemination of accurate information to small businesses. Unfortunately, in northern Uganda although some formal institutions like the Uganda Chamber of Commerce and Industry exist, enterprises do not utilise these institutions as much as expected. It is interesting to note that although the Government of Uganda offers business advisory services through trade officers stationed in each of the districts, many - 45.5% - of the SMEs maintain that the Government of Uganda lacks a commitment to business information provision (see Table 3). There are two possible explanations for this: either the extension services discriminate against small enterprises or the small enterprises avoid dealing with these institutions in order to remain invisible and to avoid regulatory matters, such as paying taxes.

The second objective of this study was to identify problems information providers face in providing business information to the SMEs in northern Uganda. An analysis of the responses of the information providers (see Table 4) shows that a lack of physical resources, appropriate technologies, organised system for business information provision and insecurity in the region do contribute the biggest challenges in business information provision. This implies that the largest percentage of information providers are operating in an environment where minimal business information can be provided. Lack of appropriate technologies to provide electronic information implies that the communication system is poor. In a globalized economy, the efficiency of the communication system counts enormously. This poor state of events could be attributed to the prolonged civil war in the region where telephone networks,
roads, buildings etc have been destroyed in the last 20 years. The operational costs of the services that should aid the provision of business information by the information providers are high. For instance, it is very difficult to get an affordable premise in some of the districts because of the insecurity. The few that are in secured places/towns are very expensive. All these factors make the work of the information providers difficult. It is not surprising that the information providers cited lack of physical resources and insecurity as some of the main problems hindering their operations. These have incapacitated the strength and ability of the information providers in the region to ably provide relevant business information.

The third objective was to establish whether SMEs in northern Uganda use public libraries in accessing business information, and if not, why not?

Public libraries and community resource centres are, generally, considered important for the supply of community information. In Uganda, there are a total of 33 public libraries and of these 10 are in northern Uganda to serve five subregions. Contrary to the general understanding - that public libraries are supposed to support the information needs of the community they serve - the majority of the SMEs in northern Uganda do not visit public libraries to access business information (See Figure 5). The negative attitude towards the utilization of libraries is attributed to the inadequacy of the services they provide and their inability to meet the users’ information needs. Most of the public libraries in Uganda lack the proactive nature of today’s information services delivery. This finding concurs with the argument of many authors, such as Mostert, Nixon and Kirkwood and Kinnell, Feather and Mathews, who have castigated the efficiency of public library services to the community. A lack of trust in public libraries could, also, be attributed to lack of awareness of the capabilities of public libraries. However, Brick (204) maintains that if a lack of awareness is the main cause of non-use of business information services, it must, surely, be interpreted as good news for the libraries because this is a problem that can be tackled by a systematic marketing strategy.

Although this study does not, exhaustively, examine the operation and service provision of libraries - especially public libraries in northern Uganda, the findings indicate that public libraries are not viewed as reliable means and sources of business information for the SMEs. No specific programmes or services are offered to address the specific business information needs of the SMEs. Some public libraries have no meaningful access points for information resources. In Uganda it is almost impossible to find the marketing of information services done outside the premises of the public libraries. These problems are compounded, further, by a lack of adequate support from the Government of Uganda. Issak notes that there are three main factors that are thwarting the development of good public library services in Uganda: the absence of financial and moral support from the government; the lack of human resources capable of dealing with the library issues; and the political climate in the country. In northern Uganda
the situation is even worse because of the civil war that has devastated the region for the past 20 years and seriously affected public libraries’ information provision capabilities. This implies that public libraries in Uganda cannot be relied upon to provide effective, quality business information - unless proactive services and programmes are initiated. Secondly, the SMEs require specialised services which are not provided by most public libraries. To compound the problem, none of the SMEs had an enterprise library.

Another objective was to **establish the extent to which SMEs are satisfied with business information provision in northern Uganda.**

An analysis of the findings on business information access satisfaction raises serious thoughts. For example, Table 6 shows that the majority of the SMEs do not access quality business information. Of those SMEs that do, 75.8% do not always receive business information that solves their business information; and 75.2% do not always receive business information with enough content. Although slightly over 40% of the SMEs agree that they are moderately satisfied with the business information provision, with about 25% being either slightly satisfied or not satisfied at all, the quality of business information accessed remains questionable as seen from the findings in Table 6. Mashego’s argument - that the paucity of accessibility to information by the SMEs sector could be due to a lack of entrepreneurial behaviour and illiteracy - could not be confirmed by the findings of this study. This is because the findings (see sub-section 4.1.1) show that the majority of the SMEs managers are literate, which implies that they are in a good position to comprehend required information with ease.

In order to ensure that the SMEs access quality business information, this study as part of the last objective, proposes strategic measures in section 6 to address the problems SMEs face in accessing business information in northern Uganda.

**Recommendations**

The development and promotion of the SMEs is urgently needed in today's world of business competition. There is an urgent requirement for planners and all stakeholders in Uganda to take a fresh look at the scope and spectrum of information services that should be provided to the SMEs. This will revitalize the performance of various SMEs in the business sector. Unfortunately, in northern Uganda a number of impediments affect the SMEs' access to business information. A lack of appropriate target-based business information systems - to address the SMEs' information needs - stands out as the most significant impediment. This study thus makes the following recommendations to facilitate access to business information by the SMEs:

1. Insecurity- The 20 year civil war of the Lords Resistance Army (LRA) has created enormous hardship for the people of northern Uganda. Everyone who is
mindful should be urged to support the peace process currently being mediated by the South Sudan government between LRA and the Government of Uganda. Joint effort is needed to foster national and regional reconciliation as well as peace building. Most of the problems affecting accessibility to business information in northern Uganda are directly or indirectly related to this prolonged war. Telephone networks and infrastructure are poor because of this war. All these problems affect access to relevant information.

2. Public libraries in northern Uganda need to avoid depending on the traditional methods of information provision. More proactive means should be adopted. Given the vital role SMEs play in the economic development of the country, the Government of Uganda should ensure that as part of the strategies to help SMEs access business information, public libraries need to create business information sections that can be utilised by SMEs. For instance, public libraries should be encouraged to produce talking books that address information needs of the SMEs as noted by Okello-Obura, Minishi-Majanja and Cloete under sub-section 4.1.2. These talking books in the form of radio cassettes, digital versatile disks and CD-ROMs could be borrowed by the SMEs to access useful business information. The public libraries need to be proactive in services delivery. The SMEs on the other hand should be encouraged through appropriate sensitization by the Government of Uganda to create business information resource centers within their enterprises. Even small resource centers can make a significant impact when the information resources are carefully collected.

3. The Government of Uganda has prioritized the development of information and communication infrastructures through privatization over the last few years. The establishment of the Uganda Communications Commission (UCC) to oversee the privatisation of Uganda Telecom and the introduction of private sector competitors to provide fixed and mobile telecommunications infrastructures has resulted in dramatic improvements in telecommunication, especially in urban areas. This is in line with a recognized position that business performance improves with good telecommunications - both by saving costs and by making information more available. However, the concentration in the urban areas and the current teledensity of 1 telephone per 100 people on average, disguises wide regional disparities. Therefore, a concerted effort should be made to ensure that an adequate telecommunications infrastructure in rural areas - and Internet points of presence - is available throughout most parts of northern Uganda. This will facilitate the enhancement of ICT usage in the region. Secondly, in relation to ICT and telephone usage, the Government of Uganda - through the Uganda Communications Commission (UCC) - should negotiate with telephone companies for a subsidized telephone rate for village telephone calls or a toll-free service. For example, if mobile phone calls are charged at 450 Uganda Shillings per minute, a village telephone booth could charge 100 Uganda Shillings per minute. This should be for all telephone booths in northern Uganda. It is hoped that this will also address the problem information providers face in business
information provision. With cheap telephone services, far away business managers could use telephone services to access information.

4. Although the SME managers are moderately satisfied with the business information provided, the findings suggest that the quality of the business information accessed leaves a lot to be desired (see Table 6). This study thus recommends that the Government of Uganda should organise training and other human resource development activities to improve skills in the use, management and promotion of business information access. This will reinforce the capacity of information supply and increase the users’ participation in the business sector for economic development. The study further recommends that the tailor-made training programmes should be conducted in an interactive manner. There should be a sharing of experiences by successful entrepreneurs on business information search and use.

5. Much as a lack of appropriate technology to access the electronic information was cited as a big problem, this study concludes that other factors are, also, associated with the lack of access to electronic resources and recommends that the constraints of awareness and skill shortages should be overcome. A major reason for the digital divide between large and small firms - in their use of the Internet – may, simply, be a lack of awareness among the SMEs of its potential benefits. Compared with large firms and their greater planning and analysis capacities, many of the SMEs are unlikely to have the resources for assessing the impact and advantages of e-commerce. Skills shortages are also a major constraint - the smallest firms often provide no training to their workforce; and some of the SMEs managers might not know what a powerful vehicle for training the Internet is. For example, help for small business is available from commercial online services, such as www.eLance.com or www.hotdispatch.com. For existing or new firms seeking help in creating an online presence, help can be found at the many online "malls". For example, www.CroatiaMall.com offers help in creating an online "store" - to be located in the mall or enterprise sales point. Similar offerings are also available from major dot.com presences, such as Yahoo.

6. The Government of Uganda should enhance linkages and information flow between itself and the SMEs. This will help the government achieve its priority action in its Poverty Eradication Action Plan 2004/5-2007/8 which puts linkages and an information flow between government and the SMEs at number one on its priority list (Uganda, Ministry of Finance, Planning and Economic Development 2004).

7. In order to respond to the specific needs of the SMEs, business information services should create value by bringing together information from different sources - both local and international. This enables the integration of the SMEs into national and global value chains (UNIDO 2005). There is a need for collaboration between various industrial and trade organizations, professional
bodies, private enterprises and government departments to provide SMEs with a comprehensive range of business information, advice and facilities.

The way that business enterprises manage both planned and unplanned events and a rapidly changing economic and trading environment is now becoming a significant success factor. One of the most fundamental challenges facing the management of any company is the creation of a corporate culture which enables it to face the future and anticipate future trends - while at the same time improving the effectiveness of operational management systems and differentiating itself from its competition (Thoburn, Arunachalam, Gunasekaran 248). Today, every company must be able to process a significant amount of information. Without information, no business can perform any of their required functions properly. Every business must collect and blend a wide variety of information, distribute and use it throughout its operations and provide accurate and timely output (Thoburn, Arunachalam, Gunasekaran 250). Central to this is the effective utilization and management of all of the information resources within and outside the company – its information system.

This study has attempted to address the problem and concludes that there is a need for Uganda and, in particular, northern Uganda to develop a strategy for business information access by the SMEs as a matter of urgency. The World Trade Organisation (WTO) has influenced most countries which are opening their economies to greater international competition. The SMEs need to be provided with more comprehensive services to ensure a successful adaptation to this changing scenario. Larger firms have the capacity to absorb costs or to quickly restructure their business operations. The SMEs, on the other hand, are not placed in this way. Consequently, the SMEs deserve special attention to receive services to enable them to face challenges and remain competitive.
Work Cited


Epilla, P. Senior Commercial Officer Lira district. “Statement to the researcher”, Lira. 5 October, 2005.


Okot, S. Town Clerk Gulu district. “Statement to the researcher”. Gulu, 08 October 2006.


