

CHAPTER 6 - PROPOSED STRATEGIC MODEL FOR THE DELIVERY OF BUSINESS INFORMATION SERVICES IN THE SMME SECTOR IN NAMIBIA

6.1 INTRODUCTION

The presentation and interpretation of the data in Chapter 4 and 5 has shown that there is need for improved business information services in the SMME sector in Namibia. More importantly, it has also been shown that an integrated approach in the provision of business information services in Namibia is the best approach to effective services in the sector. A new strategic model for the delivery of business information services in the SMME sector in Namibia is required if enterprises are to have better access to business information. There are currently several business information service suppliers in the market but their services are not known by the majority of the enterprises. Key players like the Ministry of Trade and Industry, the Namibia Chamber of Commerce and Industry, the Joint Consultative Council, private sector institutions and NGOs need to come together and work towards a common approach in the delivery of business information to the SMME sector.

The discussion in Chapter 5 has shown that there is a need to raise awareness about business information services, and to train enterprise owners or managers about the importance and use of business information. There is also the need to train business support organisations' staff in business information collection, analysis and dissemination techniques. In other words, it has been demonstrated that both the SMME operators and business service providers require more training in disseminating and accessing business information services. A proposed model should address the barriers to the effective flow of business information as identified in the Information Behaviour Model (Wilson 1999) and in this study.

The overall goal of this chapter is, therefore, to address the final question of the study, which is:

“How can the results of the study be used to design better business information services that are relevant to the needs of the Namibian SMME sector?”

To come up with a strategic model for the delivery of business information services to the SMME sector in Namibia, the specific objectives of this chapter are therefore:

- To define business information services (BIS) for SMMEs in Namibia and outline their major components and support infrastructure;
- To provide an overview of some of the approaches in the design and development of business information services for the SMME sector; and
- To outline the guidelines for user assessment needs, design, implementation and monitoring and evaluation tools and methods in the deployment of business information services in SMME sector.

The proposed strategic model on business information services in Namibia will take into consideration the survey data as presented and discussed in Chapters 4 and 5, and the findings of the literature review in Chapter 2. Some of the concepts presented in Wilson’s Information Behaviour Model (see Chapter 2) will also inform the design of the business information services model developed here. The models by UNIDO (2003b) on building business information networked services, and Miehlabradt’s (1999) model on business on the development of small business information services in developing countries as reviewed in Chapter 2 are also critiqued in relation to the proposed model for Namibia. This chapter will therefore propose a strategic model for planning, designing and implementing a business information services in the SMME sector of Namibia. The model can be adapted to the needs of developing economies with similar conditions.

6.2 SMME BUSINESS INFORMATION SERVICES

It is important to explain SMME business information services and to outline their major features before proposing guidelines for the development and/or strengthening of existing services in Namibia. Based on the investigation in this study and the literature review in Chapter 2, business information services for SMMEs can be explained as:

- Business support services that provide SMMEs with information on business issues like, finance, markets, statistics, training, business opportunities, linkages, trade promotion, production, technology and business development and can be complemented by a range of other services like access to computers and the Internet.

Business information services are not only a key business service in their own right, but are also a tool to increase the transparency of the business development services' overall market. Although information is more readily available, SMMEs in Namibia generally lack comprehensive and reliable information about business services in general and developments in the business environment in particular. Access to information in Namibian languages represents another constraint, and unreliability of information services is also frequently pointed out as a major constraint. Business information is recognised as an important economic resource in the SMME sector, and both governments and business service providers must play an active role in its provision.

The biggest challenge for designers of information services is to find a match between the services, the information delivered and the requirements of users. Wilson (1995:Online) states that "service delivery is a design problem and that services ought not to happen by chance, or be put together in a haphazard fashion, they must be planned and designed around the needs of the information user and his/her information seeking behaviour". More importantly, Wilson (1995) believes that if we fail to understand users' needs and the process of satisfying those needs, information services are bound to fail and be ignored by the users.

In the SMME sector in Namibia a business information services should be made up of: service providers, end-users, information providers, business information sources, ICTs and other support infrastructure. These parts of business information services are outlined and discussed in Chapter 2 (section 2.11.2 and Figure 2 and Figure 3). They are derived from UNIDO's (2003b) model of a networked business information service and from Miehlabradt's (1999) model of integrated business information services for SMMEs. All the various components that make up the business information service are important in the delivery of sustainable services. The information chain from information providers to the end-users, which are the SMMEs, must be maintained and supported by the right infrastructure of ICTs and other related services and equipment.

6.3 DEVELOPMENT OF A STRATEGIC MODEL FOR BUSINESS INFORMATION SERVICES

Several trends in developing countries indicate support for the feasibility of establishing business information services. There is now growing interest of business operators for information and information services. There is awareness about the role of information in facilitating decision making and the acceptance that information is an essential input in the business process. More SMMEs are willing to pay for tailor-made information and there is an understanding that the main characteristic of information is its quality, and that there is now advanced telecommunications infrastructure in more developing countries (UNIDO 2003b). This study has shown that there is a need to expand the scope of the present business information services in Namibia to reach out to more SMMEs. It has been shown that most SMMEs are unaware of the existence of business information services and in some areas there are no services at all.

There are two models that have been reviewed in Chapter 2 as possibilities for the development of business information services in the SMME sector. The first is Miehlabradt's (1999) integrated model of business information services and the second is the UNIDO (2003a) model of networked business information services. Based on the

field survey and the analysis and interpretation of the data, the most suitable approach to the provision of business information services in Namibia is through a multi-stakeholder approach where government (through the Ministry of Trade and Industry), the Namibia Chamber of Commerce and Industry, the private sector, NGOs, and local authorities work together to provide information services. The market in Namibia is too small for too many players and uncoordinated services in the provision of business information services to SMMEs. The data presentation and discussion in Chapters 4 and 5 have clearly demonstrated the need for a coordinated approach in the delivery of business information services in the SMME sector.

The proposed strategic model for the delivery of business information services in Namibia through a multi-stakeholder approach is based on the following activities:

- The assessment of SMMEs' information needs and ICTs requirements;
- The design of business information services that are suitable to the small business environment in Namibia;
- The implementation of business information services in Namibia; and
- The impact assessment of business information services in the SMME sector in Namibia.

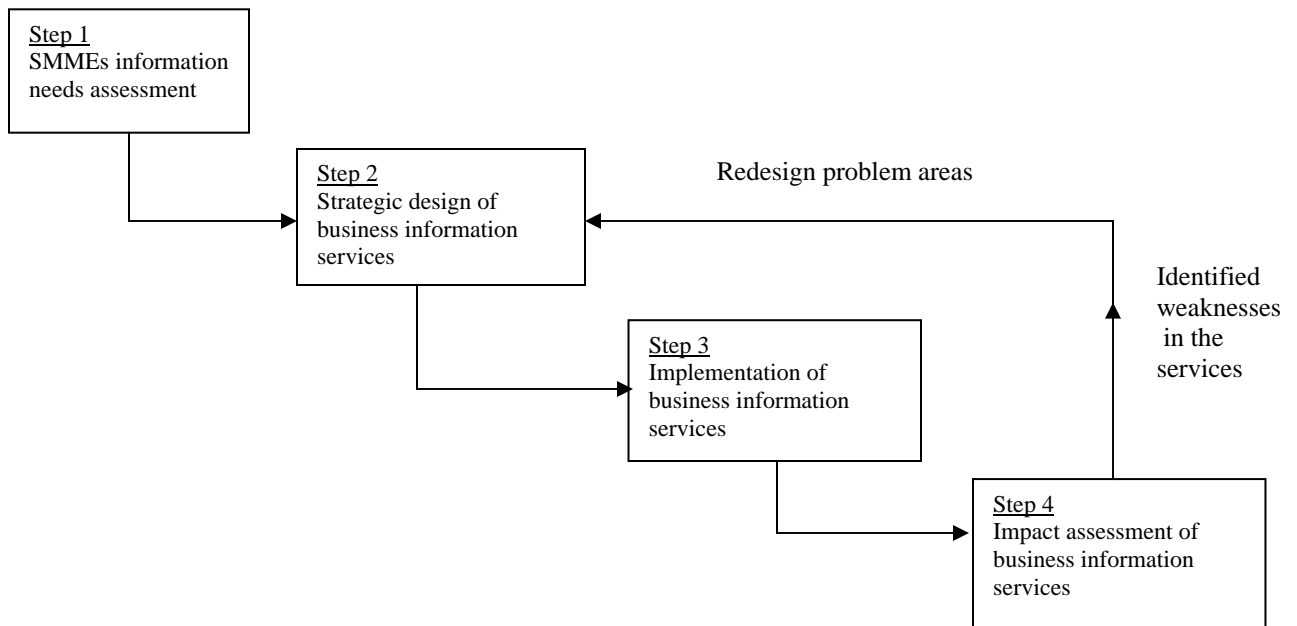
These activities are based on the presentation and discussion of the survey data in Chapters 4 and 5. The discussion in Chapter 5 has clearly shown that the information needs of SMMEs must be clearly established before the provision of any information services. It has also been shown that a needs assessment should inform the design process of the business information service in Namibia. These activities should form the basis of a sustainable model for business information services in the Namibian SMME sector.

In order to make the proposed model a reality, stakeholders should appoint an implementing agency like the Ministry of Trade and Industry, the Joint Consultative Council or the Namibia Chamber of Commerce and Industry, or form a completely new body. The two key players in the SMME sector, the Ministry of Trade and Industry and the Namibia Chamber of Commerce and Industry have networks of regional offices and

are in the process of expanding their offices into more towns of the 13 regions of the country. Business information services for SMMEs could be incorporated into these regional offices and reach out to more small and medium enterprises in Namibia.

Figure 4 below provides the graphical representation of the proposed model for the information needs assessment, designing, implementation and impact assessment of business information services in the SMME sector in Namibia.

Figure 4: Proposed model for the development of business information services in the SMME sector in Namibia



6.3.1 Information needs assessment

The presentation and discussion of data in Chapters 4 and 5 have shown that there are several business support organisations in the SMME sector in Namibia. The discussion has also shown the need for these organisations to first identify the information needs of the SMMEs before implementing business information services. The presentation and discussions of the data showed that SMMEs face several constraints in running their

businesses, and it was established that these constraints are closely related to information needs of the enterprises. The assessments must identify information needs of SMMEs in the context of the business constraints to their growth and development. The assessments should also identify bottlenecks or gaps in information supply and demand, and the types of services that are required to support the effective delivery of business information to the SMME sector in Namibia.

The theoretical framework in this study by Wilson (Information Behaviour Model) also starts with the “context of information need” for individuals seeking information as its starting point. The UNIDO (2003b) networked business information services model also proposes a SMMEs’ information needs assessment as the start in the development of business information services. Miehlabradt’s (1999) model on integrated business information services proposes a market survey to determine both the content focus and service features of SMMEs’ business information before implementing the services. Information needs assessments are therefore an important first step in the development of business information services in the SMME sector in Namibia and form the basis of the proposed strategic model for the SMME sector in Namibia

6.3.1.1 Business information needs assessment

The assessment of business information needs of SMMEs should consider several issues. It must be clear who are the targeted end-users of the small business information services in Namibia. The Ministry of Trade and Industry in its SMME development policy: Namibia: Policy Programme on Small Business Development in 1997 gave a definition of the SMME sector in Namibia (see Chapter 3) and this should be used for targeting end-users in the information needs assessment.

The categories of SMMEs’ information needs must be outlined. It entails the clear distinction of the various types of information that an enterprise requires in its every-day operations. In Chapter 4 the data presentation showed that business information needs in Namibia’s SMME sector can be categorised as:

- Financial information;
- Marketing information;
- Training information;
- Sources of raw materials;
- Production and technical services information;
- Policy issues on SMMEs;
- Legal information; and
- Regulatory framework and standards for the SMME sector.

These categories are then used to determine the needs of the enterprises and to show how important that information is to the enterprises' operations, and how accessible that information is. However it is important to note that these categories can change with time.

6.3.1.2 Information seeking patterns assessment

The assessment of information seeking patterns involves the examination of information seeking behaviour of SMMEs in Namibia. The presentation and analysis of data in Chapters 4 and 5 have demonstrated that both formal and informal information sources are used by SMMEs in seeking business information. The assessment of the information seeking behaviour of enterprises should include questions on SMMEs' preferences regarding access modes and sources of information. The data presentation has also shown that SMMEs encounter a number personal, environment and information source barriers when seeking business information. A discussion of the major barriers encountered when searching for business information will also encourage the SMMEs to express their needs and preferences. More specifically, the assessment should include an examination of the all types of sources and services of business information for SMMEs in Namibia.

Wilson's (1999) Information Behaviour Model presents "intervening variables" in information seeking and these include psychological, demographic, role-related or interpersonal, environmental and source ones. They were presented as personal, environmental and information source barriers and in the new model these barriers must

be addressed so that solutions can be found to enable more SMMEs to access business information services in Namibia.

Another important area of investigation in the SMME sector in Namibia regarding information seeking patterns is the examination of the information management practices in the small enterprises. The information management practices in enterprises are important in the determination of user needs requirements. The data presentation and analysis showed that most SMMEs still use manual practices of information storage. The information management practices within enterprises must be fully investigated to determine how information is kept and managed. The results from this assessment will be important for considering the modes in which business information must be delivered.

Lastly, it will be important to explore the possibilities of providing fee-based information services to the SMME sector in Namibia. The data presentation and analysis showed that most SMMEs are willing to pay for information if it has been properly re-packaged and made easily accessible. The provision of fee-based information services should be an important consideration in the assessment of user requirements. Both acceptance and rejection of fee-based services can help the implementing agency in Namibia understand the type and nature of the market it is dealing with, as well as the type of services that should be provided in the SMME sector.

6.3.1.3 Assessment of ICT in business information services

The third and last part of the SMMEs' needs assessment in the strategic model for business information services for the SMME sector in Namibia involves the examination of the level of utilisation of ICTs by the SMMEs. The assessment must focus more specifically on how SMME use ICTs to access and use business information services. The literature review and data presentation and analysis have shown that ICTs are growing in importance not only in Namibia, but in all developing economies as tools that can be used to assist in poverty alleviation, job creation and the expansion of markets beyond national boundaries The UNIDO (2003b) networked model for business

information services includes a component on the assessment of networking and ICT tools in support of the One-Stop-Shop. Miehlabradt's (1999) model on integrated business information service does not clearly outline the role of ICTs in the establishments of the information services but suggests that the sourcing of business information by the implementing agency should be done through the Internet.

The data analysis in Chapter 5 has shown that the utilisation of ICTs by SMMEs is still very low, while among service providers it is relatively high. However, government and business service providers in Namibia see ICTs as an important gateway to improving business information delivery services to SMMEs. Hence, assessments of the ICT requirements of SMMEs in Namibia must also be made alongside the information behaviour evaluations. The assessment of ICTs should answer the following questions:

- What approaches should be taken in implementing ICTs in business information services in the SMME sector in Namibia?
- What ICTs can SMMEs use in Namibia?
- What ICTs are currently being used in the SMME sector in Namibia?
- What ICT support should be provided to enterprises in Namibia?, and
- What are the challenges for ICT provision in the SMME sector in Namibia?

The three assessments of SMMEs' information needs, seeking patterns and ICT requirements in Namibia form the basis for the second part of the strategic model of business information service which is the design stage.

6.3.2 Designing business information services for SMMEs

The second stage of the strategic model in the translation of the analysis of data collected on information needs, seeking patterns and ICT requirements into a realistic design plan for the SMME sector in Namibia. The design stage is oriented towards how the implementing agency will develop the small business information services in Namibia.

More specifically, the design stage looks at the information resources requirements, modes of delivering the business information, the human resources requirements, and technology and equipment requirements for the information services. In the design stage, UNIDO (2003b) proposes the development of a business model and a business plan that will identify possible services and pricing to provide the basis for a commercial information network. Miehlbradt's (1999) model on the other hand proposes that an existing business organisation incorporates small business information services into existing business services because of the low demand for business information by SMMEs. However, the presentation and analysis of data in Chapters 4 and 5 on SMME information needs in Namibia clearly showed that there is a need for dedicated business information services for the small business sector.

There are similar approaches in the proposed strategic model for Namibia and the UNIDO (2003b) approach for producing a business plan in the design stage. Figure 5 provides a general outline of the relationship between the implementing agency, the supporting stakeholders and business information providers.

Figure 5: Proposed set up of business information services in Namibia

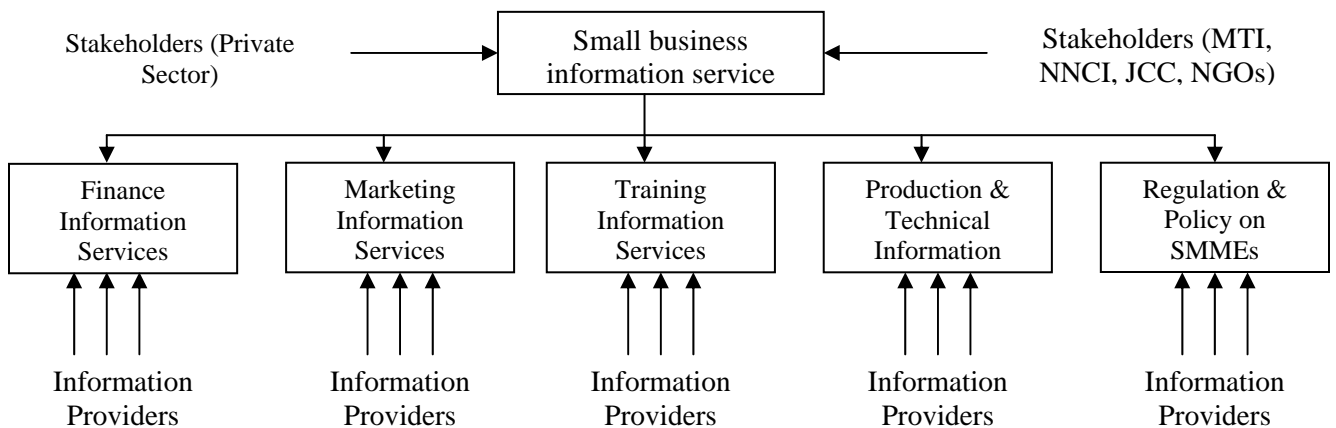
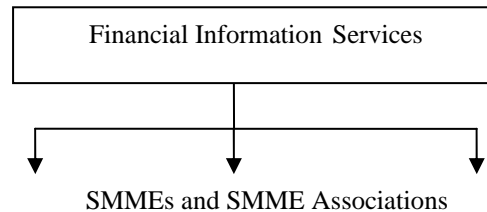


Figure 6 provides an outline of the relationship between the various specialised services within the business information service and the SMMEs or SMME associations. The linkages shown in Figure 5 are similar to Miehlbradt's (1999) model except that the

model proposes that services should be expanded beyond small businesses to include big businesses because the demand for information from SMMEs is low.

Figure 6: Delivery of information services to the SMMEs



6.3.2.1 Business information resources

The strategic business information model in Namibia should be seen as an aggregation of several different types of business information resources, services, tools and facilities to be provided to the SMME community. The development and collection of business information sources should therefore be based on agreed “collection development guidelines” that match the SMMEs’ needs as identified in the user assessment exercise. Figures 5 and 6 show how stakeholders like the Ministry of Trade and Industry, Namibia Chamber of Commerce and Industry, the Joint Consultative Council, the private sector and NGOs support the SMME business information services.

The data from the survey has provided the rankings of business information types that are most required by SMMEs in Namibia. The data has also provided the rankings of the levels of accessibility and importance of the identified types of information. The design of a business information delivery strategy to SMMEs should therefore take these rankings into consideration and include information on: finance, marketing, training, production and technical standards, sources of raw materials, SMME policy development and information on regulations and standards in various types of industries.

It is clear that there is a great need for information about suitable financial services for the SMME sector. Finance has indeed been identified globally as a major obstacle to the

growth of SMMEs and, hence, must be addressed accordingly. It has been demonstrated in the discussion that the Namibian SMME sector requires tailor-made financial services that can respond to the special needs of this sector. The challenge, therefore, for any strategy is for financial service providers to address issues of suitable financial packages and, at the same time, work with business support organisations so that they can disseminate the right and useful information to the SMME sector.

Access to markets is another important area that needs addressing in the SMME sector in Namibia. South African companies dominate the market, thereby squeezing out small players in almost all sectors like retail, wholesaling, construction, transport and ICTs. More recently, Chinese retailers have also flooded the Namibian market with cheap products, thereby threatening the survival of small enterprises. Providers of business information services should come up with new strategies on how to expand the market base for small enterprises. While there are possibilities of exports in limited industries the nature of many small enterprises surveyed requires that they start with a focus on local markets and expand into export after sometime. Market surveys on local, regional and international markets are important sources of information that should be made readily available to the SMME sector in Namibia. Other types of market information that need to be made readily available to SMMEs in Namibia include: market access conditions, business opportunities, business linkages, statistics, distribution, sales promotion, market intelligence and global information on foreign markets.

Information on training opportunities for the sector should form part of the overall business information services delivery strategy. The requirements for training in the SMME sector are varied and the survey established that small operators in Namibia require training in areas such as: business management, marketing, writing and presenting business plans, financial planning and management, accessing and using business information and use of ICTs and e-business practices. The challenge for the new model in Namibia is to address the real training needs of SMMEs, and at same time ensure that information on training opportunities is widely disseminated.

Information on production and technical practices has also been identified as important in the growth and development of SMMEs in Namibia. While the majority of the SMMEs are operating in the services sector, there is a growing number embarking on manufacturing in the leather and garments sectors. The Ministry of Trade and Industry has formulated an Industrial Development Policy that among other things seeks to promote the manufacturing sector through SMMEs participation. The data presentation showed that only 23.1 % of the enterprises are in the manufacturing sector. The percentage of the Namibian SMMEs participating in manufacturing sector is low compared with other developing economies where SMMEs play a stronger role in manufacturing. There is a need therefore to provide more information on the types of manufacturing opportunities that SMMEs can engage in Namibia. There is also a need to provide more information on production practices and technical standards to the sector. This could also include information about technology transfer from the developed world and the emerging economies in East Asia as the Namibian government had envisioned in its 1997 policy framework on SMMEs.

Reliable and cheap sources of raw materials are important in the growth and development of SMMEs in Namibia especially in containing production costs. SMMEs expressed the desire to have access to quick and reliable information about raw materials and goods for their business operations. It is important therefore that the new strategic model include information services that provide information about easy access to raw materials and industrial equipment. Namibia has a small industrial base and depends largely on imports of raw materials for most of its infant industries. The new model should consider the establishment of a database of sources of supply for raw materials together with a component of an evaluation of the most competitive sources in the region and the world.

SMMEs in Namibia have shown the importance of keeping up-to-date with government policies and regulations in their growth and development. It is important for operators to keep pace with the latest policy and programmes coming from the Ministry of Trade and Industry. They should also keep pace with developments from other ministries promoting entrepreneurship like Gender Equality and Social Services, Finance and Development

and other quasi government departments like the Small Business Credit Guarantee Scheme, National Development Corporation and National Planning Commission. After all, most initiatives in the sector come from government. A business information service should, therefore always be alert to policy changes in the SMME sector.

6.3.2.2 Business information delivery channels

The design of accessible information delivery channels is critical if a strategy is to work. These channels must recognise all the barriers that SMMEs in Namibia face in accessing business information. The data analysis and presentation have shown that there are several social, economic, environmental and source barriers that hinder the smooth flow of business information to the SMMEs in Namibia. Wilson's Information Behaviour Model includes various intervening variables, which have a significant influence on information behaviour and mechanisms which activate it. Wilson's model lists these as psychological, demographic, role related, environmental and source characteristics. Wilson's intervening variables like psychological and demographic have been separated but these can be put into one category. Furthermore, the variables in Wilson's model could be made more detailed by having sub-categories of personal variables like physiological, affective, cognitive, demographic and so forth. However, this investigation limited barriers to information access to three categories namely: personal, environmental and information source characteristics. The new strategic model in business information services should then address the personal, environmental and source barriers to information access by SMMEs in Namibia.

The print media and especially newsletters are important information dissemination tools that both business service providers and SMMEs in Namibia see as successful dissemination channels. Tailor-made monthly, quarterly or half-yearly newsletters can be integrated into the business information dissemination system of the new strategic model in the SMME sector in Namibia. In addition to the in-house newsletters, daily and weekly newspapers can be used to disseminate information to SMMEs. There is a wide range of newspapers in Namibia in all three major languages (English, Afrikaans, and German)

that the new strategy can use as a platform for disseminating information to SMMEs. The level of literacy among SMMEs in Namibia as indicated in the data presentation is high among the age groups (20-30 and 31-40 years) that are mostly involved in small business enterprises. Hence, the development of print based business information packages is indeed a viable option. The operators in the northern region of the country indicated the desire for most business information services to be disseminated in local languages like Oshiwambo. The new model must provide translation services to ensure that all major language groups in Namibia are catered for in business information services.

One of the most important communication tools today in developing countries is the radio and, to some extent, the television. The radio has the ability to reach many people even those who cannot read and write. The data presentation and analysis indicated that more business information should be disseminated through the radio and TV. Namibia has actively promoted the use of the radio as a communication tool and today the national broadcaster (Namibia Broadcasting Corporation) reaches many listeners even in remote parts of the country. About 44% of the Namibian population is rural-based and many small rural towns are growing and becoming small business centres. The challenge is therefore for the new strategic model to build and strengthen existing relations with the Namibia Broadcasting Corporation. There is also need to build and strengthen relations with many other private radio stations in Windhoek and other commercial centres and use them as platforms to disseminate business information to SMMEs.

The presentation and discussion of the data has shown that another important platform for disseminating information to SMMEs is through training workshops and seminars. Many small business service providers, including the Ministry of Trade and Industry, the Joint Consultative Council, the Namibia Chamber of Commerce and Industry, small business development consultancy firms, and NGOs run regular workshops for SMMEs throughout the 13 regions of the country. The new strategic model for business information services should find ways of building synergies with these training providers so that they become regular disseminators of various types of business information to

SMMEs in Namibia. A training workshop or seminar should be an occasion for disseminating information from as many services providers as possible.

It has been shown in the data presentation and analysis that most SMMEs rely on informal methods such as asking friends and family for vital business information. The business information service design must come up with ways to facilitate the informal exchange of information between SMMEs. Mentorship and role-modelling are some of the important processes for developing entrepreneurship. Hence, a model should consider the organisation of informal meetings between SMMEs operators around specific business themes like access to financial services, markets, business linkages, production processes and technology.

6.3.2.3 Human resource requirements

The design stage identifies the human resource requirements for running the business information services. Business information service staff requirements include information management specialists, IT specialists, and marketing personnel as well as support staff. Their roles and functions are clearly defined at the design stage. It is clear from the data presentation and analysis that there is a need for more dedicated staff in the provision of business information services in most organisations, both in the public and private sectors in Namibia. The need for training current personnel in handling business information services was identified by both the SMMEs and business services providers themselves. It is necessary to build more capacity in areas like:

- How to obtain business information from both international and national information sources;
- How to re-package that business information in line with the requirements of SMMEs in Namibia;
- How to keep pace with developments in all the areas of business information provision;

- How to produce market reports on both internal and external markets that can be used by SMMEs in Namibia; and
- How to assist SMMEs in Namibia to use ICTs for e-business activities and other computer-based operations in a small business environment.

6.3.2.4 Information and Communications Technology requirements

The design of business information services should incorporate ICTs that are easily accessible or can be used by SMMEs in Namibia. SMMEs in Namibia still face many challenges regarding access to ICTs and have limited use of e-business practices. Some of the challenges facing SMMEs in Namibia today can also be addressed through the right selection of ICT solutions. Namibia has a well-developed telecommunications infrastructure and many SMMEs reported having access to telephone lines, mobile phones, and fax lines. Internet provision has spread to many business areas including some rural areas. However, in the SMME sector the high costs of procuring hardware and software are still a hindrance to the use IT and Internet-based business solutions.

The new strategic business information service model for SMMEs in Namibia should include the provision ICTs on the basis of cyber cafes incorporated into the information services. Cyber cafes provide a range of ICT services like access to computers, Internet, e-mail, fax, fixed telephones, photocopying services, typing and other applications normally found in a business office. The concept of the cyber cafes will play a central role in providing access to ICTs for many SMMEs in Namibia.

The design should also allow easy access to in-house databases holding various types of business information. The in-house databases can hold anything from information on markets, pricing, training technology, to standards and regulations. Many service providers participating in the survey have well-developed ICT infrastructure but this is not complemented by the requisite business information databases. It is important that electronic in-house databases on various business activities be maintained and these

should be made accessible either through the Internet, on site or through the implementing agency. The UNIDO (2003b) model of networked business information services is proposed along the lines of an agency bringing together various linkages to information services providers and SMMEs with access to electronic means to access to these linkages. This will work well in countries with bigger markets and populations than Namibia which only has a population of just over two million people.

It is also necessary to develop ICT applications for SMMEs in Namibia based on mobile-phone platforms because acquiring a mobile-phone is relatively easy and cheap for most SMMEs (at least in comparison with a computer) and it is already the most accessible communication tool in Namibia. The data analysis and presentation have shown that mobile-phones are easily accessible to the majority of SMMEs in Namibia. Well-designed mobile-phone or SMS-based business applications may have a positive impact on the SMMEs. Mobile-phones have overtaken fixed phones and computers as tools in supporting the running of SMMEs, given their prevalence and accessibility. Hence, the business information model should consider it as one of the easiest means of communicating with SMMEs in Namibia. The mobile-phone sector is expanding. A second operator was licensed in the 2006 and this should result in more competition and the reduction of service costs, which will benefit the SMME operators.

6.3.3 Implementation of business information services

The purpose of the proposed guidelines is to assist the implementing agency in Namibia to conceptualise, plan and manage the development and deployment of business information services in the SMME sector. These guidelines will assist the agency to manage the development of business information services, set realistic and achievable goals for the development of the business information services, and identify the resources, facilities, tools and services to be provided through business information services. The guidelines will also assist in understanding desirable features of business

information services, the various costs involved in the business information services, and the technologies required for the deployment of business information services.

The specific implementation activities for the proposed model include four steps that should be conducted to ensure the successful introduction of business information services in Namibia. The activities include the following steps:

- Step 1: Setting up the business Information Services project team;
- Step 2: Setting goals and objectives of the information service;
- Step 3: Establishing the business information service support infrastructure;
- Step 4: Financing business information service implementation activities.

6.3.3.1. Setting up the business information services project team

The setting up of the business information services within the implementing agency requires a project team to lead the development of the information services. The project team must be made up of other stakeholders participating in the SMME business information project. The main reason for bringing together various stakeholders to the business information service project team is to ensure that their interests are represented at the highest level. The various stakeholders on the project team bring expertise and experience in information management and the SMME sector. The main functions the project team are to guide the information services with policy development and the formulation of management guidelines.

6.3.3.2 Defining business information service goals and objectives

It is important that the overall goals and objectives of the business information service are defined at the implementing stage. The objectives of business information services should include:

- To collect various types of business information from external sources (national and international sources) and re-package them for SMMEs;
- To provide a range of business information sources in both print and electronic forms;
- To create various print and electronic databases for use by SMMEs and business support organisations;
- To provide an inquiry and answer services for SMMEs in various areas of small business operations;
- To provide facilities for accessing the Internet to enable SMMEs to access various electronic business databases, e-mail, and other web-based services and
- To promote the sharing of business information among SMMEs and other business service providers.

The proper articulation of business information service goals and objectives will provide guidance in the operation and deployment of services to the SMME sector in Namibia. The above stated objectives are also used to measure the success of the business information services when the impact assessment of services is being carried out.

6.3.3.3 Establishing business information service support infrastructure

The implementation of a business information service requires various types of resources and facilities. For each of the resource and facility requirements, the planning exercise should consist of:

- Taking stock of existing resources – what is available;
- Evaluating which additional resources are required – what is required and
- Checking how and where additional inputs can be obtained.

The following kinds of support should be in place to support the business information service:

- Staff - this should involve hiring or streamlining staff with information management skills necessary for the successful implementation of the business information service in an organisation.
- Information sources - provision must be made for the acquisition of enough business information sources, or building reliable linkages to business information in the private and public sectors both nationally and internationally.
- Office space - provision must be made for adequate office space with shelving, seating space, inquiry services desks, photocopying and printing areas, computer access areas and discussion rooms.
- Equipment - a business information service requires various types of equipment (desks, chairs, shelves, and so forth) for the smooth running of the services.
- ICT facilities and infrastructure - these include telephone lines, faxes, photocopying, and computer hardware and software and Internet connectivity.

6.3.3.4 Financing implementation activities

The successful implementation of a business information service for the SMME sector by business support organisations will largely depend on the availability of financial resources. Both SMMEs and service providers have suggested several sources of funding and these include the government, chambers of commerce, the private sector and the donor community. Financial resources for implementing the business information service should include costs for: personnel, travel and outreach, equipment and office furniture, telecommunications/networking and connectivity costs, ICT equipment, information resources, training, advertising and promotion costs.

To ensure sustainability of the business information service several sources of funding must be secured from the outset. While the donor community and government could play a critical role in the initial stages of the establishment of the business information service more secure sources should be established. The business information service's future funding should be based on the following:

- The service's own budget;
- Resources generated through the sale of services; and
- External financing especially through private sector partnership programmes

In many cases it has been the failure of information services to secure adequate funding that has led to their collapse in developing countries. Financial resource mobilisation is therefore an important area that must be adequately addressed if the service is to achieve its desired goals.

6.3.4 Impact assessment of business information services

The last activity in the development of business information services in the SMME sector in Namibia is impact assessment of the information services. Impact assessment of the small business information will either be measured periodically at stated intervals after the successful roll out of the services, or it becomes an ongoing exercise. Impact assessment will provide stakeholders with a way of learning from past experience, improving service delivery, planning and allocating resources, and demonstrating results as part of accountability to key stakeholders. Several multi-and bi-lateral development agencies (e.g. World Bank, DFID, UN, USAID, SIDA and IDRC) have established methodologies for the assessment of development projects. Some of the methodologies that are commonly used in the assessment of projects include: performance indicators; the logical framework; formal surveys; rapid appraisal methods; participatory methods; public expenditure tracking systems; cost-benefit and cost-effectiveness analysis and impact evaluation. The new model should use surveys in the impact of business information services in the SMME sector in Namibia. Surveys using questionnaires,

interviews, and focus group discussions will be the most suitable approach to use in the SMME sector in Namibia. This approach has been used in previous surveys to assess the impact of SMMEs on the economy in Namibia.

In Namibia, impact assessment of business information services should focus on both the SMMEs and the implementing agency and other business support organisations that are providing services. In a multi-stakeholder case like the one proposed here for Namibia it is important that such impact assessments be carried out by external consultants to ensure a balanced review of the services. However, the implementing agency can also carry out its own impact evaluation if the use of outside consultants is not agreed upon by the stakeholders. The impact assessment of business information services in the SMME sector in Namibia should focus on specific issues which are:

- Whether the services are meeting the information needs of the SMMEs as outlined in the initial assessment before the establishment of the services;
- Examine the information seeking patterns of the SMMEs and determine if there are any barriers; and
- Examine the level of ICTs used in the delivery of business information services to the SMMEs.

The models proposed by UNIDO (2003b) and Miehlebradt (1999) lack this final impact assessment stage. However, it is important that the impact of business information in the SMME sector in Namibia be reviewed periodically. This will help to improve the services and to create a databank of information for future research on the subject.

6.4 CONCLUSION

This chapter has proposed a model that can be used to strengthen existing business information services in the SMME sector in Namibia. The presentation of the model is based on the four stages of information needs assessment, design, implementation and impact assessment. This model goes beyond the stages of information needs, seeking

processing and use as outlined in Wilson's model. It encompasses stages of design after the determination of information needs and seeking behaviour. It also involves the implementation of a design based on the information needs and seeking assessment as well as carrying out an impact assessment of the new or improved information services. This model incorporates Wilson's information seeking model in a larger framework for investigating the design, implementation and impact assessment of business information services in the SMME sectors of developing economies.

In developing this strategic model, other models on small business information services by UNIDO (2003b) and Miehlabradt (1999) were critiqued, and the similarities and differences in approaches were identified. The new model developed for the Namibian SMME sector could be adapted in other developing countries with similar conditions, and used as a basis for studying the information behaviour of small enterprises and the performance of business information services. The literature on the design of information services in developing countries is very limited, and even more limited for the SMME sector. Theoretical models that prospective designers of information services can use are biased towards experiences in the developed world. They do, however offer a framework that can be modified to suit the conditions prevailing in developing economies, and the realities of the SMME sector in a given information environment.

The next chapter provides the overall conclusions and recommendations on future areas of investigation in business information and the SMME sector in developing countries, and in Namibia.