AN INVESTIGATION OF INFORMATION NEEDS OF YOUTH ENTREPRENEURS IN ICT SECTOR IN THE KIBERA SLUM IN KENYA

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AN INVESTIGATION OF INFORMATION NEEDS OF YOUTH ENTREPRENEURS IN ICT SECTOR IN THE KIBERA SLUM IN KENYA

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Abstract

Purpose: The main purpose of this study was to investigate the information needs of youth entrepreneurs in ICT sector in the Kibera slum in Kenya.

Methodology: A descriptive research design based on survey techniques was used because it is appropriate in describing and portraying characteristics of variables of the study. The target population of this study composed of youth ICT entrepreneurs in Ayany, Kibera slum. The employees ranged from the owners of the business to the staff working in the business. The researcher used questionnaires, personal interviews and review of documentary materials to collect data for this research study. Analysis of data was both descriptive and inferential. Quantitative and qualitative data presentations methods were used.

Results: What came out from the findings is that finance was the greatest constraint to the growth of SMMEs. The other constraints identified include access to information, training needs and sufficient skills to run the SMMEs. The results show that there is need for further training for the entrepreneurs to be able to run their business enterprises effectively. From the research findings, only 21% of the respondents had had graduate and post-graduate training whereas the majority, at 53% were secondary school dropouts

Unique contribution to theory, practice and policy: There is need for the establishment of an information Centre or a library in the slum area by the ministry of home affairs, under which the Kenya National Library services fall.

Key words: *Information Needs, Young Entrepreneurs, Information Service*

1.0 INTRODUCTION

1.1 Background of the Study and Research Gap

Kenya is one of the East African countries that got independence from the British rule in 1963. At that time of the British rule, Kenya relied mostly for its economic growth on Agriculture, mainly coffee and tea.

Computers in Kenya were introduced in the 70's and internet only became available in 1993 (Ford, 2007). In January 2006, the government of Kenya established a National ICT Policy which aims at improving the livelihoods of Kenyans by ensuring the availability of accessibility, efficient, reliable and affordable ICT services.

The living condition of Kibera is very poor and most of the people here live in abject poverty. The youths here are isolated from the information age due to poverty and poor infrastructure.

According to Comrade and Jacobs (Comrade and Jacobs, 2003), there are many technical and social issues that face the poor communities in Kibera. The problems include lack of electricity, lack of communication infrastructure, lack of ICT skills and high unemployment rate. Up to 50% of the available workforce in Kibera is employed (Kibera UK-The Gap year company). This then means that there is still an unemployment rate of 50%. Of particular concern, the youth unemployment rate is up to 80% (slum-people of Kibera). This is why youth empowerment through SMMEs is important.

Small, Medium and Macro enterprises (SMMEs) can boost the economic growth by generating employment to the otherwise unemployed. The major constraint to the development of the SMMEs sectors, particularly in the developing countries is limited finances, market and management skills, among others. Access to business information is also another important constraint to the SMMEs growth.

Studies on business information provision to SMMEs particularly in the developing countries have revealed that there are several gaps in the demand for and supply of business information in this sector (Zhao 1999; Dumcombe & Heeks 1999; Moyi 2003).

Some of the reasons given as to why SMMEs are limited in their capacity to get business information are lack of knowledge, technical limitations and low educational levels.

 SMMEs also face the problem of accessing business information because sometimes they do not understand what the relevant information that they need is or they do not know how to obtain the information efficiently (Mutula 2005)

1.2 Research Problem

All information services face the problem of creating effective services based on properly assessed information needs. According to Ladzani (2001), the priority ranking of the SMEs' needs puts information provision at the top of the list of services .The SMEs' development is hampered by an inadequate or inappropriate provision of information.

The SMEs in Kibera operate under 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. This challenge requires not only identification of information needs, but also creation of new services and the reshaping of the existing ones based on the needs assessment.

1.3 Objectives of the Research

The overall objective of the study was to investigate the information needs of young entrepreneurs in the ICT sector for the purpose of helping in the setting up of an appropriate information service / library based on the recommendations that the research. The specific objectives were:

1. To identify the types of business information needed by young entrepreneurs in the ICT sector leaving in slum areas;
2. To determine their current source of business information
3. To find out their methods of obtaining the information
4. To establish the extent to which the SMEs are satisfied with the information that they receive.
5. To establish the problems they face in accessing business information.

2.0 LITERATURE REVIEW

Ormisnski (1991), Philips et al. (1995) and Macdonald (1987), whose studies were in technology, reported that staff needed both business-related information such as information about products, companies, competitors, marketing, customers and suppliers, as well as technical related innovations to develop their products and market those products to their customers.

Mutula and Van Brakel (2006) agree that information is an important asset, giving SMEs a competitive advantage in the new economy. Information plays a critical role in the informed decision-making process, making it easy for SMEs to take good competitive decisions.

The ability of SMEs to survive in an increasingly competitive global environment is largely predicated upon by their capacity to leverage information as a resource (Mutula & Van Brakel, 2006:404).

All business enterprises need business information for different business activities. Lavrin and Zelko (2003) pointed out that information that are most needed by the business enterprises include: (a) business contacts i.e. information on business and marketing partners, technology providers and public incentives bodies; (b) available market opportunities such as procurement and marketing opportunities; (c) markets for products or goods; and (d) services and research information.

In his study, Jorosi (2006) argues that the main sources of business information for SMEs include competitors, customers, business associates, government officials, broadcast media, libraries, newspapers, government publications trade and industry associations and electronic sources. Kaye (1995, p. 16) notes that there are informal and formal sources that contain business information in different forms.

Kaye (1995) argues that informal sources, just like formal sources, are those that help in the provision of information to individual business managers. Informal sources include business colleagues, superiors and subordinates, external professionals, and other contacts. Some are informal-external and others informal –internal.

A study by Norliya, Masitah and SitiZahrah (2009) showed that a library is the least significant source of information both in terms of the percentage of respondents identifying it as one, and their perceived level of importance of it being a source of business information. There are

several reasons why entrepreneurs are not using libraries that much: ICT related problems (23.9%), poor library services (17.4%), non-up-to-date library collection (16.1%), respondents' own attitude towards library use (16.1%) and locations of libraries (probably inconveniently located) (16.1%).

Liu (2000) argues that most librarians working as business librarians lack subject training in business fields like accounting, management, economics, etc., which affects their performance. In addition to the training of the business librarians, some of the institutional problems include the location and structure of the institutions that should be providing information to the SMEs. For instance, the Macmillan library or the Kenya national library services are all situated in the central business district of Nairobi town, so far away from the kibera slum, where they would look for information.

3.0 RESERCH DESIGN

A descriptive research design based on survey techniques was used because it is appropriate in describing and portraying characteristics of variables of the study (Chandran, 2004). The target population of this study composed of youth ICT entrepreneurs in Ayany, Kibera slum. The employees ranged from the owners of the business to the staff working in the business. The study sample constituted 10% of the population because according to Mugenda and Mugenda (2003), when carrying out a descriptive survey, 10% of the population yields an adequate sample. Thus, out of the 1073 SMEs, 107 were picked up to form the sample size. The researcher used questionnaires, personal interviews and review of documentary materials to collect data for this research study. Analysis of data was both descriptive and inferential. Quantitative and qualitative data presentations methods were used.

## 4.0 FINDINGS, ANALYSIS AND INTERPRETATION

4.1 Bio data

Under bio data the researcher endeavored to find out the gender composition, age bracket and academic qualifications.

4.1.1Gender

It emerged that among the 98 participants, 44% were male while 56% were female as reflected in fig. 4.1. Therefore, there were more female SMMEs owners than male.

Fig. 4.1 Gender of respondents
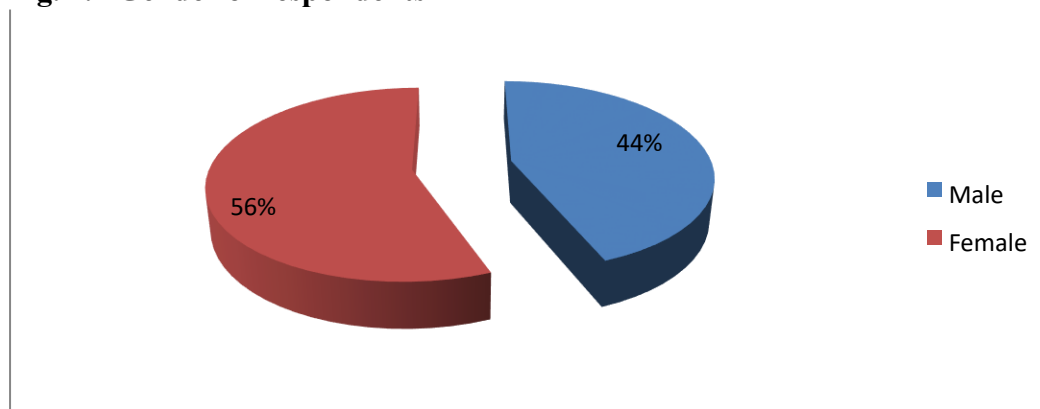
4.1.2 Age

This study considered age as a valid component since the research was specific for only the youth age bracket. Fig. 4.2 illustrates this.

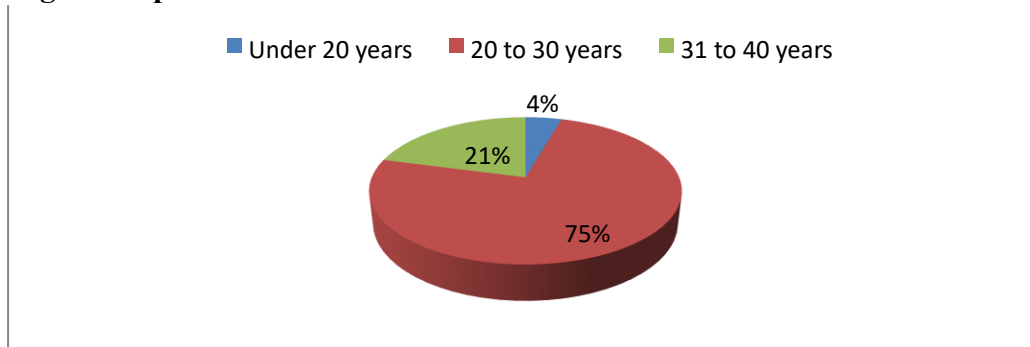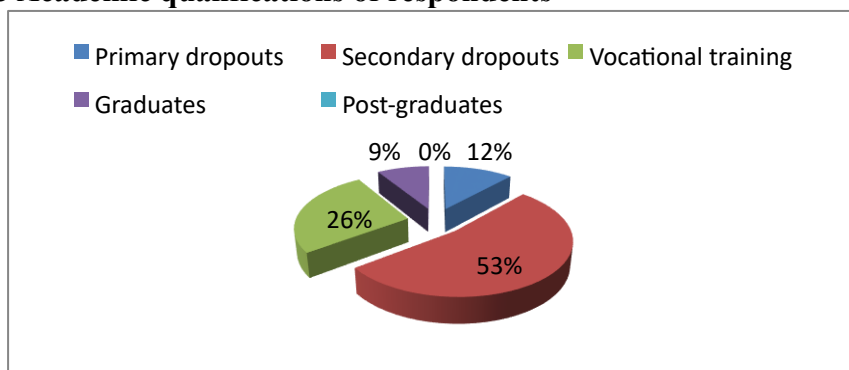**Fig. 4.2 Age of respondents**

Fig. 4.2 illustrates that majority of the respondents (75%) were within the 20 to 30 age bracket. It was encouraging to note that majority of the SMMEs owners were in their youthful stage.

### 4.1.3Academic qualifications

The researcher considered to find out about the academic qualifications of these young entrepreneurs since it is an important factor to consider when talking of improving information service provision of an information center. The results of this exercise are reflected in Fig. 4.3. The revelations were that majority of the respondents, 53%, were secondary school level, followed by those with vocational training at 26%, Primary school dropouts at 12% and Graduates at 9%. The research further revealed that none of the respondents had a post-graduate training. This was an indication that we have many school dropouts who have started their own businesses. This could be due to the poverty level that could not allow them to continue with their education.

Fig. 4.3 Academic qualifications of respondents

In reference to gender, academic qualifications of the respondents were reflected in the fig. 4.4.

Fig. 4.4 Academic qualifications according to gender of respondents
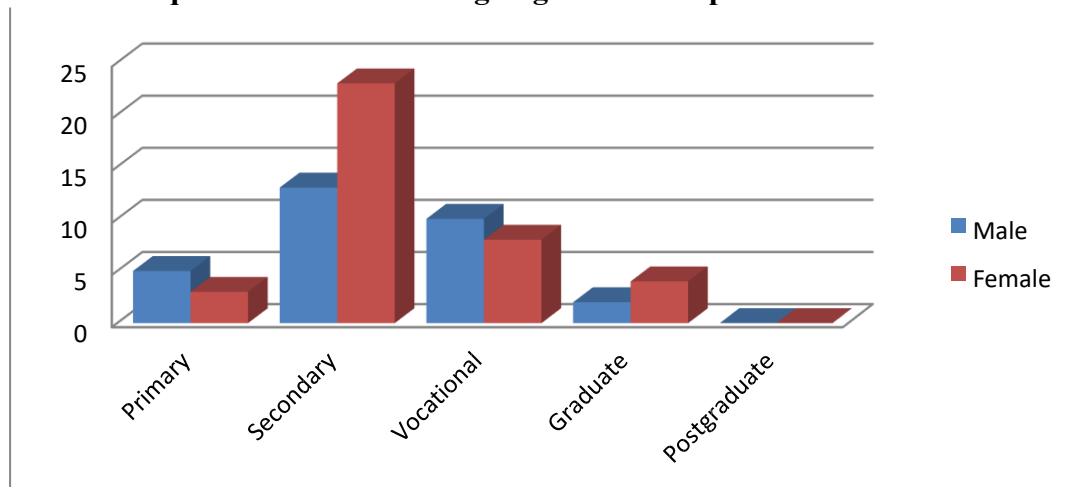
The figure demonstrates that we have more female entrepreneurs that have secondary training as well as graduates than the male counterparts. However, the male entrepreneurs possessing vocational training are more compared to the female counterparts. There was no single postgraduate respondent.

4.2 Major constraint to the growth of SMMEs

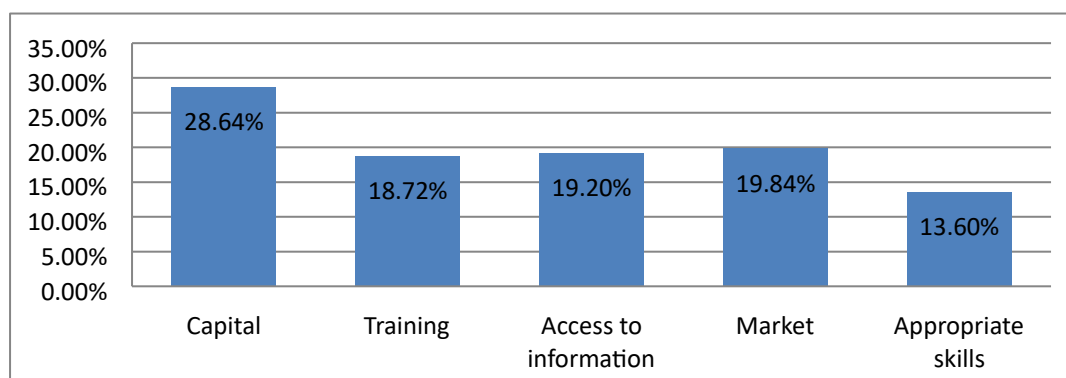**Fig. 4.5 Major constraints to the growth of SMMEs sector**

Figure 4.5 ranks capital (28.64%) as the major constraint to business growth. This was followed by access to market 19.84%, access to information at 19.20%, training at 18.72% and lastly appropriate skills at 13.6%. Access to business information emerged as the third constraint indicating the importance of information to the growth of SMMEs.

4.3 Kind of information needed

Fig. 4.6 Information needs by the SMMEs entrepreneurs
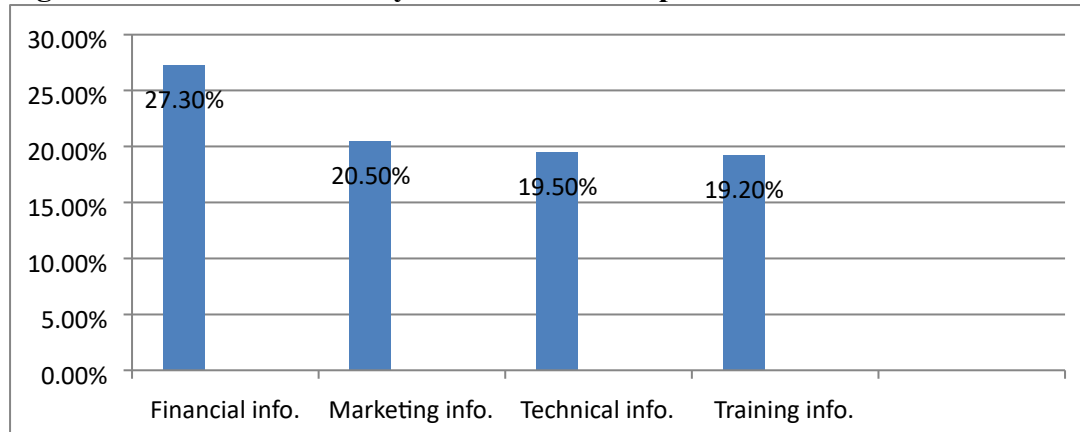
The findings indicate that information on finance is the mostly needed, followed by market information.

Results from other studies have revealed that SMMEs need information in various categories depending on their major activities and circumstances. For example Orminski's 1991 study of SMMEs engaged in design and development activities, found that the most quoted type of requires information was product information, whereas Edwards and Kearney (1989) found that market research information was most required by SMMEs whose main activities were in market research and advertising areas.

4.4 Business information sources currently being used

The respondents indicated that their sources of information varied according to the type of information that they required. Some knew the most appropriate place to get different kinds of information.

The answers also revealed that respondents used more than one avenue in obtaining required information. As one respondent stated:

I would call or send an e-mail to friends to find out about the information. I like contacting friends because I know the people in the type of business we are in. (owner, Computer Company)

In summary, the sources of information the respondents mentioned most frequently are:

• Personal friends

• Newspapers

• Trade partners

• Customers

• Libraries

Fig. 4.7 Business information sources currently used

Fig. 4.7 shows the levels of importance of some of the sources of information that is used by the SMMEs. Personal friends were ranked top at 26.9% of the respondents followed by newspapers at 22.7%, Trade partners at 21.7%, customers at 21% and the least was library at 7.7%. It can be concluded from the chart that the library had the least (7.7%) preference as a source of information. Only 3 respondents stated that whenever they needed any information, they would go look up in the library. This was because they believed that library contained very specific and relevant information to them.

Actually, I go to the library to look for the information that I am looking for since the kind of information that I need is of very specialized information needs. I tend to get the information that I need here (Staff, Electronics Company) Another respondent was of this view:

I consult the library since the librarian will help me search for the relevant information that I need.

Some of the reasons given for not consulting the library were as follows:

Inconvenient and time consuming

One of the major reasons given by respondents as to why they did not use the library is that the library was   inconvenient to access, in terms of location.

Unavailability of the relevant information required

Other respondents felt that library collections are specifically academic-oriented and would therefore be of no use to them, as stated by manager of an electronics company:

I do not visit the library because the information I want is not available in the library. Information currently in the market is not in the library.

We hardly visit the library since the library only caters for those pursuing their studies. Nearly all that is found in the library is not of use to us, because all that is for academic purpose (staff, software Development Company)

No need for going to a library

Some respondents stated that they did not have a need to go and get required information from any library because all the information that they would require would be available by other sources, like friends, internet, without going to the library.

I don't need to visit a library. I really would not want to consult a librarian for the information that I need. The information that we need, we can get from other sources, other than the library (manager, software Development Company)

Magazines and newspapers

One respondent said:

> I get a lot of technical information on computer software and computer hardware through reading several magazines and newspapers. This keeps me abreast of what is going on in the computer world (Manager of Computer Company).

4.5 Evaluation of information sources

All respondents had a criterion based on which they evaluated the different sources of information. In general, the following criteria were used to evaluate the different sources of information that they currently use:

Currency of information

Many interviewees stated that information they required for their jobs had to be current and up-to-date in the first instance.

However, others demanded that information be both timely and reliable. Respondents for whom currency was an important criterion frequently mentioned the Internet as a source of upto-date information.

Accuracy of Information

Majority of respondents stated that the technical information they needed for doing their work should be accurate and reliable, and hence the information sources should also be accurate and reliable.

Easy availability

Other respondents preferred information sources that had quick availability even if sometimes not necessarily of high accuracy.

Quick availability is regarded as an important criterion even by those who recognize the inaccuracy of the information they are accessing from these sources.

Fig. 4.8 Relevancy and adequacy of information sources
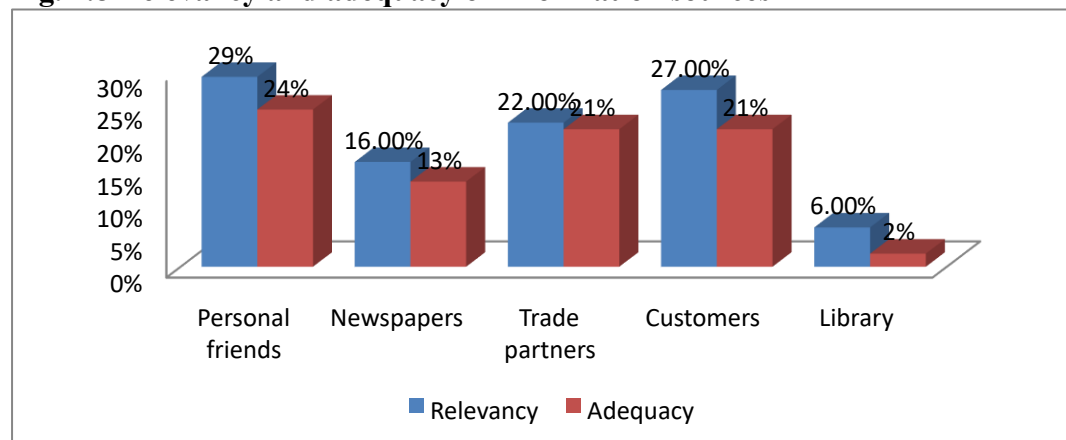
Only 2% of the respondents found the information from the library as adequate. The majority felt that the information received from the library was not adequate, giving various reasons:

- Information from library is usually very poorly presented. More often it is not satisfactory (owner, Information Systems Company).
- In the library, you will get information in pieces and sometimes incomplete information. It is very rare that you get what you exactly need, and it ends up wasting your time. (Staff, Communications Company)

4.6 Information delivery methods

Fig. 4.9 Information delivery methods
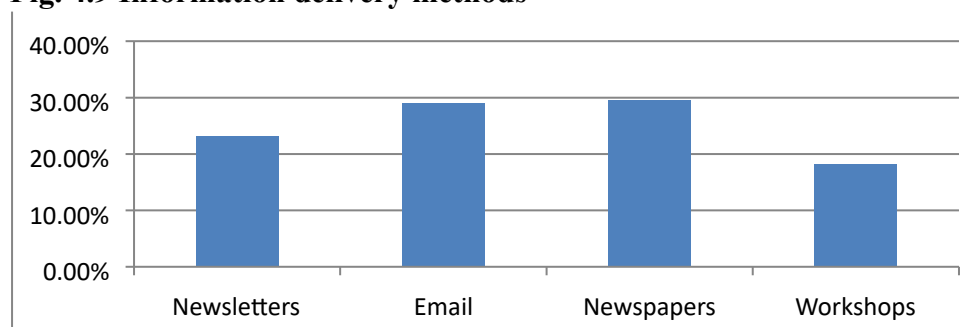
4.7 Level of importance of business information

Fig. 4.10 Level of importance of business information
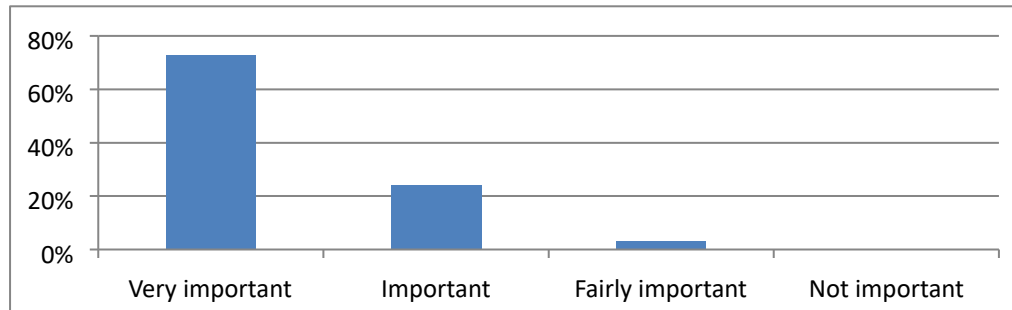
4.8 Whether SMMEs can do without business information or not

Fig. 4.10showing whether SMMEs can do with or without business information

4.9 Reasons given for information needs

When asked this question, the respondents indicated that information was necessary to enable them to do their jobs well and improve their businesses. The answers to this question could be placed in four major categories, namely:

Technical purposes

For the interviewees that developed some kind of products and marketed them to end-users, information is needed to develop those products/ services effectively and to be certain that those products can fit in with other products available on the current market. The kind of information that they need includes technical information; patent; standard and specifications and product information.

We need this information on products because we use them to develop our own products. It's necessary for us to develop new technology to know what's happening in the scientific background to the technology. (Manager, Communication Company)

I need access to all marketing information to be able to research export markets. (Owner, software Development Company}

Commercial purposes

For SMMEs that develop their products for commercial purposes; information enables them to develop their products, market them and get business opportunities. The information needed for the commercial include marketing information; information on customers and information on competitors. For SMMEs that market their products world-wide, additional information was needed on export-related information and international laws.

There is no need in making products that your customers don't want. That then forces you to know what your customers want and what they are using, and also what their interest are, so that we produce the right product to meet their needs. (Computech company.)

Competitive purposes

Information also is important to help them stay competitive, including that which allows them to search for business opportunities and to keep up-to-date. This includes marketing information; company information; product information; latest technology; current issues; and government policies.

We need information that allows us to be competitive, we have to know about what others are doing that helps us or is against us. I am more interested in my area of activity. (Owner, Computer Company)

Maintaining the business

Some information of general nature such as administration issues is helpful in running our businesses. Information like how to manage and operate small business; how to get funding, financial information, taxation, industrial relations, and workplace issues. As an interviewee stated:

Information, for example information on work place issues, things like how much you're supposed to pay someone and if someone leaves how you terminate the person. Also, information on marketing. You see, in small business, you have to do everything, all the jobs including employing and accounting. How to run different computer programs. So much information we need. You can't become an expert (Manager, Electronics Company)

Remaining current

It is important to know what is happening globally in terms of technological advances. This, according to a respondent, is crucial for survival of the SMMEs. Remaining up-to-date, according to the respondent, enables them to perform effectively; this includes developing and marketing their products and remaining competitive in the market place. Many of the respondents mentioned difficulties in keeping up-to-date and the necessity to spend time ensuring that information is current.

5.0: CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

The aim of this research was to identify information needs of ICT entrepreneurs. To achieve this objective, research was conducted to investigate the information needs and current sources of information and the delivery methods used. Also undertaken was an evaluation of existing information sources.

The research results indicated a general lack of full success in the recent provision of information services to this kind of clientele.

5.2 Recommendations

The information gained from the research survey has enabled the researcher to come up with various recommendations aimed at helping libraries and other information service providers in providing specific information services to SMMEs.

1. There is need for the establishment of an information Centre or a library in the slum area by the ministry of home affairs, under which the Kenya National Library services fall.

Some respondents supported the idea of establishing an information Centre or library close by. Such a library would serve not only the ICT SMMEs but also the kibera populate in general.This will help in reducing the trouble in having to think of transport to go to a library or information service center that is located far away from the slum area.It is suggested that the information center or library should serve not only the SMMEs in the ICT sector in the slum area, but also school or college going students living in the same area.

The research results also indicated that the preferred information facility should be electronic-based with high quality and speed of services. It is therefore suggested that such center should perform business-like activities. The physical presence of the library in the slum would facilitate the provision of services and personal contact which is the major communication channel among this business community.

2. Services that should be provided

The major motivation of entrepreneurs in searching for information is to keep them up-to-date, and to gain extensive information on particular topics. It is therefore suggested that information services proposed to the business people serve these purposes. The services ought to be offered by the Kenya National Library Services (KNLS). Based on the thesis findings, the proposed information services should include the following: Current Awareness, such as Selective Dissemination of Information (SDI), Current Contents & On-line searching from various remote sources. From the research findings, these people need information for five purposes: technical, commercial, competitive, maintaining the business, and remaining current. These issues are vital for the information centre to take into consideration in the setting up of its collection development policy. It is therefore suggested that the projected collections of the information centre include at least the following materials:

1) Technical information on topics shaped by the SMMEs' in the slum area

2) Business-related issues, such as market and marketing information, productinformation, information on suppliers, information on competitors and pricelists as well as information on general business issues, such as administration, budgeting, business management and legal issues.

3) Types of materials the entrepreneurs use frequently

4) Information in electronic format, such as CD-ROM, databases on relevant subjects and Internet access for those who do not have access themselves.

3. How the services should be provided

All of the interviewees agreed that the information Centre should not perform as a merely traditional library does. Instead, it should operate and provide business-like activities and offer quick and quality services to clientele. However, most of them questioned whether a library could perform as suggested because of present limitations in manpower, resources, and funding.

I am not so sure as far as Kenyan conditions are concerned. I think Kenyan libraries already have limitations in a number of areas. At the moment, fulfilling services to direct clients,

students and staff members is difficult and not fully 100% because of lack of budget and other things. So I am not so sure about their potential to offer services to outsiders, particularly given the limitation in resources, manpower and services. (Manager of an ICT Company)

The researcher recommends that the Government of Kenya allocates sufficient budget for the running of the information centre more effectively

The research indicated that business people need information as immediately as possible. It is therefore recommended that such services should be rapid, pro-active and business-oriented. The content of information should be summarized before being presented to the clients.

Information service providers should be pro-active in expressing its eagerness, potential and understanding of how critical the information they hold is important to the SMMEs. As the provision of information services to business people is evidently different from that to academics, the information service providers should resolve many issues prior to the initiation and provision of efficient services to the business community.

It is therefore suggested that good planning, including the entire process of information service center activities, should be developed by the management staff of the Kenya National Library Services to direct any approach and activities related to business people running the SMMEs. Such organized plan should include: review of existing resources, such as manpower, collections, budget and services, strengths and weaknesses of the information service center; details of the target group (in this case the SMMEs in the ICT) their activities; their names and contact numbers; personnel involved; proposed services (for example, what services are to be provided, how they are to be provided, and costs involved); and, context. In addition, the business plan should also cover risk and reward from the services (for example, an assessment of everything that can go wrong and right, and a discussion of how the team can respond), and sources of funding. The business plan should be reviewed on a continuing basis.

4. Accessibility

To ensure that the users can exploit available information, the information service providers of KNLS have to improve avenues of access to information sources. This research revealed that a preferred behavior pattern of these people is to access information sources via email. It is therefore suggested that the information Centre should have internet access and provide electronic access to the information required.

5. Staffing

Information service providers to the SMMEs should have additional skills in technical and business areas as well as librarianship. It is therefore suggested that the information Centre be staffed by at least one professionally qualified librarian with up- up-to-date business awareness as well as client-focus to take full responsibility in providing such services to the business people.

He / she should have background knowledge in both technical-and businessrelated areas as well as be computer literate. In addition, the librarian should have good communication skills and an outgoing personality as well as motivation and commitment in providing such services.

6. Promotion and marketing

The survey results revealed that the entrepreneurs lack awareness of information services that are available in places like national library services, and other libraries in the city centre. So little or no use has been made of such services. It is therefore strongly suggested that the Kenya National Library Services should promote and market itself continuously, particularly when there are new user groups on the market. Relevant details of each service should be presented so that new user group knows what services are available, how they can be used to enhance their activities, who to contact, and the cost involved. The recommended channels to approach the business people are a combination of personal contact, electronic marketing and printed publicity materials. The slum people can be reached by having a representative from the slum area to be a member of the management committees for facilitating the provision of Information services to the SMMEs. **7. Appraisal process**

The information centers should from time to time perform an appraisal process of all the activities provided to the SMMEs. The appraisal process may be conducted through the usersurvey or the survey may be carried out soon after each service was used. Such a process would not only assist in changing and improving existing services and activities but would also act as a marketing tool for the information centre.

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