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INFORMATION FOR
DIVERSE
USER GROUPS

INFROMATION FOR DIVERSE USER GROUPS

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INFORMATION PROVISION TO BUSINESS ENTITIES

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INTRODUCTION

Business information is imperative for business transaction and prospects. The provision of business information to business entities cannot be overemphasized, because when the right information is provided in the right format, to the right user and made available to the right user at the right time, this could in turn record a tremendous increase in provision of goods and services to consumers/customers and as well create increase to the country's economy as well as the global market. Business information provision is an essential ingredient to all business entities regardless of its form: sole proprietorship, partnership, company, cooperative etc. The use of ICT to disseminate information or customers' use of it to have access to their investments at any time is of paramount importance, especially in our present information society characterized by ICT. The world has become a global village in that one stays at his/her comfort zone and access information at anytime and anywhere. Government and libraries have their own role to play in making the people have access to the needed business information. This would play a dual role by meeting the need of the user environment and the objectives of the information providers as well.

Business entities need to have access to adequate information to enhance productivity and to facilitate market access. The establishment of an active business sector and the effective utilization of quality business information has been identified as crucial in attaining long-term and sustainable economic growth for developed and developing countries alike (Corp, 2005). However in developing countries, many businesses suffer from inadequacies in the provision of business information which is only available from stand-alone institutions; often slow and cumbersome to access; limited in scope and not provided in an integrated manner (UNIDU, 2005). Most businesses depend, on informal institutions as they lack an awareness of important business information provision agencies or institutions. Access to information is insufficient or lacking. This is inconsistent with the requirements for effective competition in global market. The business entities need tailor-made information solution, that is, business information

services that assess, verify and apply information to a specific business (Okello-bura,2008) be it a sole proprietorship, partnership, cooperation, cooperative, franchise etc. regardless, of the form of the business organization, emerging modes of the business, social responsibilities of business and business ethics, corporate organization, finance and trade or international business.

The objective of this paper is to look briefly into what business entities are and their activities. What information provision is given to business organizations by the public and private information providers and the channels used to disseminate these information.

CONCEPT OF BUSINESS

A business, also known as an enterprise, a company or a firm, is an organizational entity involved in the provision of goods and services to consumers. Businesses serve as forms of economic activities and are prevalent in capitalist economies where most of them are privately owned. Businesses provide private goods and services through a market to consumers and customers in exchange for other goods, services, money, or other forms of exchange that hold intrinsic economic value. Businesses may be social non-profit enterprises or state-owned public enterprises operated by government with specific social and economic objectives. A business owned by multiple private individuals may form an incorporated company or jointly organized as a partnership. Countries have different laws that may ascribe different rights to the various business entities.

TYPES OF BUSINESS ENTITIES

The following types of business entities are in operation:

1. Sole proprietorship

This is a business run by one individual for his or her own benefit. It is the simplest form of business organization. Proprietorships have no existence apart from the owners. The liabilities associated with the business are the personal liabilities of the owner, and the business terminates upon the proprietor's death. The proprietor undertakes the risks of the business to the extent of his/her assets, whether used in business or personally owned. Single proprietors include professional people, service providers, and retailers who are "in business for themselves". Although a sole proprietorship is not a separate legal entity from its owner, it is a separate entity for accounting purposes. Financial activities of the business (e.g. receipt of fees) are maintained separately from the person's personal financial activities (e.g. house payment, such as beauticians, hairdressers, photographers, gardeners, mechanics etc.).

2. Partnership - General and Limited

A general partnership is an agreement, expressed or implied, between two or more persons who join together to carry on a business venture for profit. Each partner contributes money, property, labor, or skills; each shares in the profit and losses of the business; and each has unlimited personal liability for the debts of the business.

Limited partnerships limit the personal liabilities of individual partners for the debts of the business according to the amount they have invested. Partners must file a certificate of limited partnership with state authorities. These are common for practices that offer services as dentists, doctors, solicitors and so on.

3. Company

The correct name for this is a joint stock company and it is made up of a number of people who put their money together to form a "joint stock" of capital. These people are commonly known as shareholders and, as the name suggests, they each own a share of the business and each expect a share of the profit too. Each shareholder puts money into the company and receives a portion of the company's shares equivalent to what they put in. Despite each shareholder owning a piece of the company, in law it is seen as legal entity the same as an individual that is entirely separate from the shareholders or members, as they are sometimes known. Companies can make profit or lose, it can be held responsible for its employees' actions, and can go into liquidation.

4. Franchises

A franchise involves one using another company's successful business model to create his own shop, restaurant etc. Essentially, you buy the franchise and trade off the good name of the company you have bought into. For example Dangote, you will find a suitable location, and they will provide you with their delivery, food products, cement, sugar, salt, etc. and use of their trademark. You make money because customers are already familiar with Dangote. So you have an instant customer base. Franchise is fixed period of time, from five to thirty-five years, and covers a certain location known as a "territory". You will have to pay fees to the franchisor.

- Royalties for using the trademark
- Fees for the training and advice received

There are specific and complex laws relating to franchise contracts, so entering into one is something that needs to be thought about very carefully.

5. Cooperatives

This is truly egalitarian form of business that is formed to meet the mutual needs of the worker or community. Each person from the top to the messenger is equally important. All decisions are taken democratically and any profits are shared equally or ploughed back into the business.

6. Limited Liability Partnership (LLP)

These are relatively new form of business as they have only been around since 2001. They are intended to benefit professional partnerships, such as lawyers, accountants, and the like, who are restricted from forming limited companies due to restrictions from their professional bodies. LLPs operate in much the same ways as limited partnerships and allow the members to limit their liability if something goes wrong with the business.

For the purpose of this paper, provision of business information would be treated in the following structure.

Small and medium enterprises (SMEs)

SMEs have been defined in various ways, but most commonly used criterion is the number of employees in the enterprise (Kayanula & Quartey, 2000). Definitions in many countries lack uniform and reflect the relative development of respective economies. However, the United Nations Conference on Trade and Development (UNCTAD) classifies firms employing 5 to 500 persons as SMEs (Neelamegham, 1992:17).

The government of Uganda classifies SMEs as business firms employing 5-50 people (Small scale) and 51-500 people (Medium Scale) (Kasekende & Opondo, 2003); Schiffer & Wedder, 2001; Uganda Bureau of Statistics, 2003). Whatever definition it takes, SMEs are important to the socio-economic transformation of any nation both developed and developing and it is estimated that SMEs employ 22% of adult population in developing countries (Daniels & Ngwiri, 1993; Robson & Crallagher, 1995).

SMEs may be managed by their owners who are often assisted by family members (Okello-Obura, 2009). In this regard, business information provision should be provided to SMEs on awareness of important business information agencies or institutions. This will enable them to compete with the global market. SMEs need tailor-made information solutions, that is, business information services that assess, verify and apply information to a specific business problem (Okello-Obura et al., 2008). To meet the specific needs of the SMEs, business information services should be provided to 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). Provision of business information to SMEs would give them opportunity for collaboration between various industrial and trade organizations, professional bodies, private enterprises and government departments. To provide SMEs with comprehensive range and relevant business information implies that the issue of quality information becomes evident. According to Strong, Lee and Wang (1997), poor information quality can create chaos. SMEs development is hampered by lack of business information provision. In most developing countries, market signals on business opportunities, customers' trends, and methods of organization are not communicated effectively to the SMEs (Ladzani, 2001). This hinders or detour their progress.

CLASSIFICATION OF BUSINESS ACTIVITIES

Various business activities may be classified into two broad categories namely, industry and commerce.

Industry: This involves production of goods and services. It makes or manufactures goods which involve changing the form of goods at any stage from raw materials to the finished products e.g. weaving wooden yarn into cloth. Thus, industries transform utilities into goods. Industries may be classified according to the type of goods produced, scale of investments and type of technology employed e.g.

- a. planning and genetic industry: cattle breeching, fish hatcheries, poultry farm, etc.
- b. extractive industry: engaged in raising some form of wealth from the soil, climate, air, water or beneath the earth.
- c. construction industry: engaged in construction of building, roads, dams, bridges, etc.
- d. Manufacturing industry:
 - I. analytical industry: crude oil to kerosene, petrol, gas, diesel, etc.
 - II. processing industry: cotton textiles, sugar, paper, etc.
 - III. synthetic industry: cement, coal, soap making, paints, etc.

Commerce: It is concerned with the distribution of goods and services from producers to users, they ensure a proper flow of goods and services for the benefit of both producers and consumers.

INFORMATION PROVISION TO BUSINESSES

Approaching the end of the twentieth century, societies all over the world are changing. In countries of many different kinds, information now plays an increasingly important part in economic, social, cultural and political life. This phenomenon is taking place regardless of a country's size, state of development or political philosophy. First, information is used as an economic resource. Organizations make greater use of information to increase their efficiency, to stimulate innovation and to increase their effectiveness and competitive position, often through improvements in the quality of goods and services that they produce. Secondly, it is possible to identify greater use of information among the general public. People use information more intensively in their activities as consumers, to inform their choices between different products, to explore their entitlements to public services and to make greater control over their own lives. Both developed and developing countries are being transformed into information societies. Most of them are concerned to use information to improve their relative competitiveness or least, to retain their position in an increasingly competitive global market.

The Encyclopedia of Information Science defines information provision as a process within which information is provided to users or users' community without any individualization of content or purpose specialization of the information or the delivery process. Business information provision is essential to enhance the productivity and facilitate market access of business entities. Effective and efficient provision of business information would attain long term and sustain the economic growth for any develop and developing country (Corp, 2005).

You may have heard the saying, "Knowledge is power" and nowhere is this more applicable than in business. Accurate and timely information can make or break a business, affecting their ability to plan, make and sell and react to changes on the market place. Creating information resources and its use on a regular basis will help keep you current and avoid missing problems until they are too late. Every business needs information to help it succeed. A combination of internal and external business

information resources can provide the background necessary to evaluate current performance and plan future progress. Knowing the types of information resources that are most critical to business resources can help companies plan for capturing, analyzing and using that information most effectively.

Different types of information needed to be provided to businesses include:

Internal information provision: This is the information a business already has and it is the first information it should turn to. Every business will have the ability to gather information about employees, sales and customers. Your customers or clients should be key sources of information for a business. Business should integrate survey, focus groups and other customers' feedback programs into their operating plans. Plans, online and emails should be used to gather and analyze data. Research on industry sales, customer type using figures provided by government agencies, business analysts and non profit trade associations should be consulted. Setting up systems and processes for gathering the right information can help business owners track, trend, analyze and act upon business that gives them clues into such issues and what drives employee satisfaction. The products must be demanded by customers and the information on areas of employee and customer satisfaction and dissatisfaction is paramount in the business.

Financial information provision: These are information resources businesses keep and need to know about them because they are very essential to every business entity. They include, banks, credit cards and investment statements, budgets, profit and loss statements, ledgers, balance sheets and other reports related to finance. Every business needs to be knowledgeable in this area because it gives more insight on how to make budgets, respond to overspending or take advantage of opportunities presented by excess profit. It enables business to know how to split their expenses into operating and overhead expenses to determine the cost of creating and selling products.

Government information provision: The government provides massive amount of information for use to most business entities much of it available online. This information includes keeping up with legal and regulatory trends which is in any area of business, information on managing the business effectively. Most government agencies have a website on that e.g. OSHA.gov, EEOC.gov, etc.

Industry information provision: Every business can consider itself part of at least one industry, if not more. Every industry has an association connected with it that can serve as a rich source of business information. For instance, weddles.com is a site where businesses can go to find out about the associations that serve their industry. Joining the appropriate trade and professional associations can help business gather information about industry trends best practices and resources.

Competitive information provision: No business is without competition and gathering actionable information about competitors is critical in a business. The information

gathered helps in the business short and long term planning, which gives the business an edge to its competitors. This is easier than even with the advent of ICT to do it through the internet. Through search and participation in social media sites like twitter, face book, and LinkedIn business can gain competitive intelligence advantage about what others are doing.

Generally, when providing business information to entrepreneurs, it is imperative that the information provider should take the following parameters into consideration.

The right information: Information to entrepreneurs has to be focused and precise and has to be needs based. The information has to be constantly updated and concentrate on the challenges which the SMEs face. This will require information providers to apply the right systems and tools in identifying the needs of the small and medium scale entrepreneurs.

The right packaging of information: Information needs to be easily understood for current decision making. This implies that the information providers, when packaging or repackaging information should take into consideration the educational, social and economic background of those who seek information. It must be presented in both written and spoken forms, taking into account that vernacular languages may play an important role.

The accessibility of information: It is of equal importance as to where and how the information is provided. Information providers may be too far away from the business. The form of presentation needs to be taken into account, the learning styles of potential users. The SMEs get information from a variety of sources, such as their peers, competitors, suppliers, and customers. Entrepreneurs are more likely to value and use information that comes from someone close to them who has a track record of practical credibility. Accessibility of this information should not be restricted to formal or informal services such as libraries, radio stations, televisions stations, experienced business managers in the community, customers, etc.

Business information provision should be based on the right form to the right user and using the right means. This is due to the complexity of means of information provision today.

Businesses need information to be successful and that information can come from a variety of sources both internal and external. Understanding the various sources of information and how to access information can go a long way to make companies and their leaders stay on top of emerging trends and environmental factors that can affect their success. Most of this business information provided is free (Ladzani, 2001, Okello-Obura et al. , 2008).

The following groups play important role in provision of business information

Government: Most Federal Government offer a wealth of information to small businesses on a wide range of topics, like law and regulations that affect them, statistics

about their industries, industry analysis and information about those industries. All this information is free and readily available online especially the United States Government. **Associations:** There are actually thousands of associations that cover business interests. From personal pursuits to professional pursuits, business people can find associations that provide access to information and resources for members and sometimes for non-members.

Internet: The internet is a significant source of information both for free and paid business information resources in order to meet virtually any business needs. These are available from websites, blogs, social media channels, etc. Through the Internet businesses can find useful information and make connections both locally and internationally.

Internal: Businesses should not neglect internal information that can provide important insights into employee and customer issues. For example, turnover rates, employee satisfaction data, sales data, customer purchase histories and customer satisfaction should be carefully catalogued and used to make sound business decisions about future actions.

USE OF ICT TO ACCESS BUSINESS INFORMATION BY SMES

Accessing business information services has over the years been greatly enhanced with the emergence of various information and communication technologies. In developed countries there is easy access to computer hardware and software because of their well-developed ICTs infrastructures. Small and Medium Enterprises (SMEs) enjoy easy access to business information services. ICTs can generate higher market shares either by reducing input costs and thus allowing firms to produce more of the same products or products packages, as a result additional sales or higher-price products are gained (Mellor, 1998; UNCTAD, 2008). Computers, the internet, broadband and mobile phones are catalyst in business information provision for SMEs.

Internet and broadband use: There is a growing evidence of the link between internet use and business information provision. The internet enables online sales, advertisements and purchases, which is often carried out through website or an extranet that can also have increase in products sales and possible effect on productivity. Many business SMEs tend to engage in more intensive on online sales and purchases when the broadband is really broad. A greater use of the internet could also help to boost international and regional trade. As such information providers should make good use of the internet for business information provision.

Mobile phone use: The use of phones has emerged as the most widespread ICT in the developing world. Phones have made communication and information access very convenient and timely to users from the comfort of their own homes and offices and from wherever they are. While on the move their cellular phone units enable them to have access to information and people anytime and anywhere.

With the use of the Internet and mobile phones, the information manager and government could provide a comprehensive range of business information to business

entities on various industries and trade organizations, professional bodies and private enterprises. Such information as follows:

- comprehensive information on government licensing and certification requirements for running different kinds of business;
- A user-friendly website should be used as a ready source to look for business information services and facilities;
- A wide collection of business reference materials in public libraries;
- A regular publication on business information should be a topical issue and should be sent in pamphlets, leaflets, billboards, etc.

BUSINESS INFORMATION TO BANKING/FINANCIAL INSTITUTIONS

Financial institutions provide services as intermediaries of financial markets. There are three major types of financial institutions.

- **Depository institutions:** These are deposit taking institutions that accept and manage deposit and make loans. This includes banks, building societies, credit unions, trust companies and mortgage loans companies.
- **Contractual institutions:** They are insurance companies and pensions funds.
- **Investments institutions:** They are investment banks, brokerage firms.

Banking institutions are referred to as universal or commercial banks, which can range from a large financial institution with a highly visible brand name and international presence to a small organization with a local presence. They are involved in lending, such as corporate finance, housing, SMEs, etc. The above institutions get their information or information is provided to them through statutory bodies such as:

Nigerian Deposit Insurance Corporation (NDIC)

The NDIC is a parastatal under the Ministry of Finance. It is charged with the responsibility of protecting the banking system from instability, as such they provide business information or/and advise to banks and Central Bank of Nigeria (CBN) in the liquidation of distressed banks and manages distressed banks' assets until they are fully liquidated. This is done through inspection of banks books regularly.

Central Bank of Nigeria (CBN)

The Central Bank of Nigeria is the apex financial regulatory body in Nigeria. Apart from the financial role of developing finance and supporting the economy it provides adequate business information to banks and financial institutions in areas like:

- a. The refinancing facilities for agricultural export commodities which increases inflow of credits to the farmers producing export commodities in Nigeria.
- b. Rural banks and finance programme which increases access to the rural dwellers to financial and credit services aimed at promoting the financing of agriculture, and small scale rural industrial activities.

- c. Agricultural credit guarantee scheme which revamps and boosts agricultural sector through the provision of loans to SMEs in Nigeria.
- d. SMEs Equity investment scheme: This scheme provides finance and credit to SMEs in Nigeria and enhances ownership of business.

CONCLUSION

Managers of business entities use information as an integral part of their work and hence, it is important to be clear and understand their information needs and the level of user of the information to enable the provider provide relevant information. The issue of business information provision to business entities should be taken seriously both by the public and the private providers. Utmost importance should be given to business information in national planning by every government because they contribute to the economic development of any country. The following are recommended to be done:

- The provision of quality business information should be made central in national planning.
- A multi-faceted approach to information provision is necessary because of the variation in needs, literacy and business prospects.
- The use of computers, internet and mobile phone in business information provision, notwithstanding the challenges, should be a detailed strategic business information provision mechanism.
- Public libraries cannot satisfy the business information provision needs of business entities given their set-up and lack of proactive services provision. This is because the classic view of managerial functions of business entities, such as planning, organizing, communicating, coordinating, and controlling are beyond librarians' purview. It is hereby suggested that other rational approach to business information provision which public libraries lack should be sought.

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