



EFFECT OF INFORMATION NEEDS AND SOCIO-ECONOMIC FACTORS ON SMALL SCALE ENTERPRISES IN AYEDADE LOCAL GOVERNMENT, OSUN STATE

JOSEPH ADENIYI KOLAWOLE; OLUWOLE BANJI AJAYI; & DOLAPO PETER OLAGOKE

Library, Joseph Ayo Babalola University, Ikeji - Arakeji, Osun State

ABSTRACT

This paper investigates the effect of information needs and socio-economic factors on small scale enterprises in Ayedade Local Government, Osun State. Information needs is an essential component in the designing and development of need based information centers for meeting the information requirements of small scale enterprises (Users). The survey research design was employed with a random sample of one hundred small scale businesses selected while eighty seven were analyzed as well as using the Pearson Product

INTRODUCTION

Information need refer to individual needs of users regarding information which should satisfied the specific information needed by business enterprises. It involves a cognitive process which may operate on different levels of consciousness for small scale enterprises. The information need (need for information) is a factual situation in which there exists an inseparable inter connection with 'information' and 'need'. Information originates and generated because there exists a need or an interest. The presence of a purpose for the use of information leads us to conclude that it is needed. Thus the presence of what might be called an 'information purpose' is a necessary condition of information need. There are two necessary conditions of information need: the presence of an information purpose and the information in question contributes to the achievement of the purpose. Information need is a condition in which certain information contributes to the achievement of genuine or legitimate information purpose whereas Marquis and Allen suggest that information use is a behaviors and data are collected on any behavior by asking people about it by observing its occurrence, or examining its artifacts (e.g., ,documents). Information need is a condition in which certain information contributes to the achievement of genuine or legitimate needs. Information need is often understood as a science that evolving from a vague awareness of something missing as culminating in locating information that contributes to understanding and meaning (Etuk, Etuk, and Baghebo, 2014). Information purpose suggest that information use is a behavior and data which are collected on any need by asking people to observe its occurrence or examining its artifacts (e.g.,, document).



Moment Correlation and regression. The study revealed that there was no significant relationship between information needs and growth of small scale enterprises ($r = .352, N = 87, P(.101) > .05$) while socio – economic factors had positive and significant relationship with growth of small scale enterprises in Ayedade Local Government Area of Osun State ($r = .797, N = 87, P(.000) < .05$). Also, the further revealed that information needs and socio-economic factors have significant influence on small scale enterprises in Ayedade Local Government Area of Osun State ($r = .655, N = 87, P(.000) < .05$). The study concluded that information needs and socio-economic factors are good determinants of successful small scale enterprises in Nigeria. It is recommended that small scale industry should be provided required information, focus and commit more resources to improve performance of small scale enterprise.

Information needs is an essential component in the designing and development of need based information centers for meeting the information requirements of small scale enterprises (Users). The information needs of potential users should be the basis for the design of all high quality information services. It is important to know that information need and information use may lead to improvement of small scale enterprise in today's global economy. It is further believe that information needs and accessibility of an entrepreneurial would enhance small scale enterprise in global competitive economy. Over the years, it was revealed that strong forces of change have been reshaping the global business landscape (Frerrier, 2001). As a result, today's small scale enterprises business environment is faced with uncertainty, diverse global players, rapid technological change, wide spread price wars and seemingly endless reorganization, all of which put pressure on the small scale enterprises and business environment. In this case, information needs is seen as a strategic weapon to be used by entrepreneur to adapt to the turbulent environment and to enhance the small scale enterprises in lfe central local government area. Information needs will enable small scale enterprises to consider customer and competition to be the most important factors that would enhancing failure or success of their firm or enterprises. As the business environment becomes more complex and dynamic, it also becomes important for an entrepreneur to monitor continuously the external environment to identify strategic threats and opportunities that can be faced by small scale enterprises (Shokane, 2001). Through the information needs, accessibility and use, entrepreneur would be able to reactively and pro-actively adapt their small scale enterprises to environmental changes in order to survive and prosper. Information needs is a human process which requires adaptive and reflective control over the ineffective and negative actions of the information seeker. It shows that information needs is a dynamic and changeable process despite its formal problem solving attributes. Information needs depends on the situation, but also large extent on the individual or small scale business that needs it. Information needs usually influences the personality which is a pattern of characteristics thoughts, feelings and behavior that differentiate one person or firm from other. One of the parameter of information needs is the discovery of enterprises strategies, expectations, attitudes and anxieties to promote the relationships of small scale enterprises as they live and work with other information to enhance small scale enterprises productivities.



Socio-economic factors refer to structures, systems, and facilities serving the economy of a business, industry, country, city, town, or area, including the services and facilities necessary for its economy to function. It is a term to characterize the existence or condition of 'technical structures' such as roads, bridges, tunnels, or other constructed facilities such as loading docks, cold storage chambers, electrical capacity, fuel tanks, cranes, overhead clearances, or components of water supplies, sewers, electrical grids, telecommunications, and so forth. Socio-economic factors consist of improvements with significant cost to develop or install that return an important value over time. As stated by Olanrewaju (2011) in the speech he delivered on “infrastructure-key challenge for small scale enterprises says that, you cannot separate these socio-economic factors from Small Scale Enterprises. Without these afore-mentioned socio-economic factors, small scale enterprises or large companies will find it hard to survive. The availability of these socio-economic factors in Ayedaade local government will help to provide an enabling environment for Small Scale Enterprises. This is because, it facilitates the production and distribution of goods and services to the market. These facilities mostly provided by government constitute the social amenities like good road network, power supply, water, health care facilities and other things that bring about a conducive atmosphere for business operations. The comprehensive list of infrastructural facilities needed by Small Scale Enterprises in Ayedaade local government includes the following. Good road network linking the city center and rural areas; Electricity, Good and constant water supply, Good health care systems, Telephone and mobile phones network. Basically, government is the major provider of these socio-economic facilities, this is because of the huge cost involved in putting them in place and the need to make the services affordable to the general public. In recent times, private organizations now provide some of the basic amenities needed by the public. The services rendered come at a higher cost as the small scale enterprises needs to make reasonable profit from their investments. The implication of this for Small Scale Enterprises is that, since most of the economics facilities they require are provided by private business men or they themselves, the cost for those services becomes expensive compared with when they are provided by government and this will definitely drive up the cost of doing business.

The acronym SSEs means Small Scale Enterprises. There is no universal definition for SSEs. Different countries have used some criteria to define small scale enterprises. These include turnover, number of employees, working capital and the likes. (Abereijo, Ilori, Taiwo and Adegbite, 2007), believe that Small Scales enterprises can be defined based on the number of employees, capital invested and turnover. The definition of small scale business is usually derived in each country, based on the role of enterprises in the economy, policies and programs designed by particular agencies or institutions empowered to develop small scale business. For instance, a small business in the developed economies of countries like Japan, Germany and United States of America, may be a medium or large scaled business in a developing economy like Nigeria. Moreover, the definition of Small Scale Enterprises also varies overtime from agencies or developing institutions to another, depending on their policy focus (Etuk, Etuk, and Baghebo, 2014). Most Small Scale Enterprises started as a micro business enterprise then thereafter to a large scale enterprise. The National Enterprise Development Programme (NEDEP, 2014), define Small Enterprise as an enterprise with 10-40 employees with asset (excluding land and buildings) between N5 million to less than N50 million. Small scale business, small scale industries and small scale entrepreneurship are used interchangeably to man small scale enterprises. In Nigeria and



worldwide, there seems to be no specific definition of small business. Different authors, scholars, and schools of thought have different ideas as to the differences in capital outlay, number of employees, sales turnover, fixed capital investment, available plant and machinery, market share and the level of development. These features equally vary from one country to the other.

Thus in general, the specific characteristics/criteria used in describing small scale enterprises case: the number of people/persons employed. It is usually a small business, because small numbers of people are employed. The Annual Business Turnover:- Because initial capital is low, then annual turnover will also be low. Its Local operations:- For most small firms, the area of operation is local. The employees live in the community in which the business is located. If the sales volume is minimal and its financial strength is relatively minimal. Also its managers are independent, and they are responsible only to themselves, or to the owners. If the managers are, also the owners or the owners of the business actually participate in all aspects of the management (for instance, if the management of the enterprise is personalized. They have relatively small market when compared to their industries. The numbers of employees are relatively small, when compared to the biggest companies in a similar venture. The capital is mainly supplied by an individual or small group of individuals/persons or shareholders. They usually have one, but many have several shop locations all in the same city or metropolitan areas. This also shows the same trend as in Nigeria, although the exchange value makes the financial criteria to be different. There are many small scale enterprises in Ayedade local government area in Nigeria which is categorized as small scale business. Most of them are in the commercial sector and there is also a trend now towards the service industry such as hotels, restaurants, fast foods which are small scale enterprises.

Objectives of the Study

- i. To find out the information needs of small scale enterprises in Ayedade local government, Osun State, Nigeria
- ii. Identify the socio-economic factors and growth of small scale enterprises in Ayedade local government, Osun State, Nigeria
- iii. To examine the major challenges that hindered the small scale enterprises from playing its vital roles in economic growth and development

Research Questions

- i. What are the information needs of small scale enterprises in Ayedade local government, Osun State, Nigeria?
- ii. What are the effects of socio-economic factors on small scale enterprises in Ayedade local government, Osun State, Nigeria?
- iii. What are the challenges faced by the small scale enterprises in Ayedade local government, Osun State, Nigeria?

Hypotheses

Ho 1: Information needs have no significant influence on small scale enterprises growth in Ayedade local government

Ho2: Socio-economic factors have no significant influence on small scale enterprises growth in Ayedade local government area.



H02: Information needs and socio-economic factors have no significant influence on small scale enterprises in Ayedade local government area

Literature Review

The concept of information needs is very complex and difficult than ordinarily meets the eyes, it is evident in the various definitions and attributes of the concept notwithstanding the fact that information seeking behaviour is as old as man, and that it affects all aspects of human activities Nkachi (2011). The foregoing according to Ajewole (2001) had led to the categorization of information needs definition into three strands. The first is the Scientific and Technical Information (STI). It is within the domain of scientific and technological communities.

Utor and Utor (2007) opined that information needs is vital to the rural dwellers in that it will not only make for better understanding and appreciation of government programmes, it will also encourage a closer link between the initiators and beneficiaries of the developmental efforts of small scale enterprises. It is in realization of this amongst others that Idoka (2003) asserted that nothing then is important for mankind than to bring within reach all what can widen his information needs horizon, making discoveries and literacy transformation that can make the individual a more valuable member of the society.

In the socio-economic world, there are notable roles to be played by the entrepreneurs or small scale enterprise which are in varieties to cushion the economic growth of local contents and export trade in the international market of any nation that is aspiring to develop her socio-economic status. However, entrepreneur is a courageous person that organizes a business which is unavoidable expose to unpredictable risks, yet determined to break even at the end of the business trade. Similarly, the small scale enterprises are joint effort of an individual or partners of the same mind in particular type of business to promote the economic growth with financial support by individual, friends or government. The activities of entrepreneur and small scale enterprises continued to play significant roles that are evident in the developmental plan of any organized business society, either through micro or macroeconomic strategies which eventually metamorphosed to multinationals such as Dangote Group of Company in Nigeria (Olusegun, 2013). Moreover, in positive plans of a nation for economic enhancement, small scale business enterprises are potentials of market due to lack of fund and inadequacy of man power.

Generally speaking, the definition of small scale business varies from country to country, from industry to industry and from one financial institution to another. If project cost is used as the criteria for measuring the size of a business, price inflation may render the definition meaningless over time. If the number of employees engaged in a business enterprises forms the yardstick for measurement, it may not be realistic bearing in mind that some firms are capital intensive needing only very few employees. Other firms are labour intensive employing large number of people but utilizing only small capital fund (Osadi, 2007). Small scale enterprises as defined by the National Council of Industries refer to business enterprises whose total costs excluding land is not more than two hundred million naira only. A lot has been written about small scale enterprises in the world. It has also formed the subject of discussions in so many seminars and workshops both locally and internationally. In the same vein, governments at various levels (local, state and Federal levels) have in one way or the other focused on the Small Scale Enterprises. While some governments had formulated policies aimed at facilitating and empowering the growth and



development and performance of the small scale enterprises, others had focused on assisting the small enterprises to grow through soft loans and other fiscal incentives.

All the massive attention and support given to small scale enterprises relate to the widely acclaimed fact that small scale business is job and wealth creators. The Federal Ministry of Industries (2001) defined a small scale enterprise as an enterprise whose total cost including working capital but excluding cost of land, does not fall below One Million Naira and does not exceed Forty Million Naira and having number of employees between eleven to thirty five workers. The Committee for Economic Development in the United States of America considered a business to be small when, at least, two of the following features prevails: The person managing the business is the owner, or capital is provided by the individual owner(s) of the business. The area of operation is local. The size of the business within the industry is small when compared with the bigger units in its field.

Constraints on information needs

It was known that there were constraints which indicated that the unavailability of information officers was the major problem that hindered business from obtaining information, followed by a lack of awareness of information sources and distant locations for consultations which small scale enterprises should have. These problems, arranged in descending order of importance, are explained in detail below. Unavailability of public or information officers. Most of the surveyed communities either lacked information sources or they had only a few information sources to assist them when they had problems. In Ife Central area, for example, some small scale enterprises reported that there is no need to seek information or consult any business leaders to control animal business activities because they are few. Many small scale business enterprises in Ife central local government did not see information from anywhere, and they lacked funds to travel to the business centre or interment for consultations with their little knowledge in case of problems solving. Further, most small scale enterprises were also ignorant about indigenous business techniques, and thus they were reluctant to seek information needs from appropriate quarters.

Lack of awareness of information sources

The owners of small scale enterprises were not aware of their right to consult formal sources of knowledge, such as local officers or union leaders through their business leaders, once they had a problem. Thus, most of them depended on the informal sources of knowledge needs such as family, neighbour and friends, who at times were not sufficiently knowledgeable or reliable to solve their problems. For instance, in Ife Central area, some people indicated that, they are not scared to apply for loans because he is an' illiterate, old and there are difficult conditions to access credits. Another business in Ife central reported that, lack of understanding on where else to get information needs apart from his family and neighbors has hindered him to solve some of the problems he encounter in his small scale enterprises business activities.

Location

Concerns were raised about the long distance that small scale traders had to travel to consult their union officer at the district headquarters or in other close quarters, or to negotiate prices with middlemen. For instance, business in Ife Central Local Government was located very far from



district headquarters and they lacked smooth location and logistic problem to be solved by their officers. These people in this area were also located very far from the district market where the information needs can be gotten, and thus it was difficult for them to access reliable market information. For instance, some small scale business also reported that, the market is too far to get reliable information on markets proceeds. Thus, they only consult their neighbours and friends who do not have accurate information needs.

Socio-economic

Socio-economic status and age limit affects some small scale business to find or seek knowledge and information needs from their fellow people' such as Small scale enterprises groups, within Ife central local government area. There are many small business under these category, For instance, some small scale business especially in this environment are victim of such circumstances who reported that they were too old to seek information needs and knowledge from the various sources that existed within and outside their quarters. Furthermore, some of small scale business who was also farmers indicated that, they are not able to join any business groups because they were too old. Thus, they rely on their neighbours and family for advice when they have problem. Other traders in this competitive area said that, they are too old to attend meetings about their trades. Therefore, they rely on their neighbours and family for advice when they have problems.

Resistance to change

Some users, such as small scale business enterprises were resistant to change and, due to ignorance and lack of encouragement from their business leaders, did not seek and adopt new information needs and knowledge. In small scale business for example, traders indicated that they were not willing to learn from other people because they preferred to draw on their own personal experience. Other business enterprises in Ife Central local government indicated that they were not encouraged or motivated by their leaders to consult their fellow members in case of business problems. Inability of some experts to solve problems Some enterprises in this local government were discouraged from finding information needs and knowledge from within and outside their premises because some of such knowledge was not effective in solving their problems. Many of the business enterprises contacted shows the extension to which the business jurisdiction is affected in order to treat their problem. However, one has not been successful to control the business. He consulted the business input supplier and was told to seek and use information needs to address the problems facing the business as well. However, information needs and use should be able to solve many of these problems.

Selfishness

Some business men were selfish about sharing their knowledge and information, which limited other small scale enterprises in seeking knowledge and information needs. For instance, business enterprises in Ayedade central local government area reported that there was little cooperation from neighbours when one wants advice on business enterprises activities. Some small scale business traders involved in Ayedade central local government area indicated that others would benefit if they could shared their information knowledge.



Challenges of the Small Scale Enterprises

Most Small Scale Enterprises die within their first five years of existence. Another smaller percentages goes into extinction between the sixth and tenth year thus only about five to ten percent of young companies survive, thin and grow to maturity. Many factors have been identified as to the possible cause or contributing factors to the premature death. Key among this include insufficient capital, lack of focus, inadequate market research, over-concentration on one or two markets for finished products, lack of succession plan, inexperience, lack of proper book keeping, lack of proper records or lack of any records at all inability to separate business and family or personal finances, lack of business strategy, inability to distinguish between revenue and profit, inability to procure the right plant and machinery, inability to engage or employ the right caliber staff, plan-lessness, cut-throat competition, lack of official patronage of locally produced goods and services, dumping of foreign goods and over concentration of decision making on one (key) person, usually the owner. Other challenges which small scale business face in Nigeria include irregular power supply and other infrastructural inadequacies (water, roads etc.) unfavorable fiscal policies, multiple taxes, levies and rates, fuel crises or shortages, policy inconsistencies, reversals and uneasy access to funding, poor policy implementation, restricted market access, raw materials sourcing problems, competition with cheaper imported products, problems of inter-sartorial linkages given that most large scale firms source some of their raw materials outside instead of sub-contracting to Small Scale Enterprises, insecurity of people and property coupled with proliferation of policies in government position on economy. Fragile ownership base, lack of requisite skill and experience, thin management, unfavorable monetary policies, lack of preservation, processing and storage technology and facilities, lack of entrepreneurial spirit, poor capital structuring as well as poor management of financial, human and other resources. Their characteristics and the attendant challenges notwithstanding, it is the consensus that Small Scale Enterprises, which globally are regarded as strategy and essential vacuum for any Nations economic development and growth have performed rather poorly in Nigeria.

The reason for this all-important sectors dismal performance have been varied and convoluted depending on who is commenting or whose view is being sought. For sure it has nothing to do with government's appreciation of the vital central role of the sector as evidence by how well small scale enterprises have been acknowledged and orchestrated in various government's budget, with the imperativeness of Small Scale business as the bulwark for employment generation, poverty reduction and technological development being highlighted. While many attributes are factors of poor performance of Small Scale Enterprises in Nigeria.

The significant roles which Small Scale Enterprises home played in developed economies such as the United Kingdom, Germany and the United States and even developing Countries of the world like India to the challenges outlined above, some others hinge the reasons on the fair share of neglect on the sector by the government. The latter group argues that government's appreciation of the Small Scale Enterprises in Capacity building has always been restricted to the pages of the budgets presentations and submissions at various forms. Essentially, they argue that poor budget implementations over the years account for the unsavory impact of Small Scale business on the Nigeria Economy, which had a record unfavorable growth and decline future as measured by the population of Nigerians becoming literate, having more access to better healthcare, shelter, food and other necessities of life such as access to more and better paying jobs as well declining per capital income. Other parameters usually used to measure the performance of Small Scale Enterprises include percentage of working population employed by the Small Scale Enterprises in



a given country's GDP, managerial and technical capacity building, percentage of revenue internally generated or percentage of total PAYE accruing to the government from the Small Scale business employees, years increases in average household income, etc. this research is intended to critically appraise and analyze the operating environment and circumstances of Small Scale business Enterprises in Nigeria with a view to actually identifying why they small scale business are not playing the vibrant and vital roles in the Nigerian economy as they small scale enterprises do in other economies such as India which has so many similarities with Nigeria in terms of population and other demographic variables. This is even more disturbing if one recalls that Nigeria remains the largest market in the African continent where investment opportunities are beckoning to be exploited.

Conceptual Model of the Study

The conceptual model revealed that enterprises ought to find information needs to improve their knowledge in making good business or enterprises that could improve the quality of their business. They must therefore try to meet their need by looking for the information sources which are valuable and feel comfortable for them to use. From this, it is clear that the traditional sources of information needs are very popular sources of information used by small scale enterprises. The former sources are rarely available and few that are available are not seeking for and used by the small scale enterprises because of their unawareness of environmental factors.

The conceptual model also shown that information needs and socio economic factors did not means its use for small scale enterprises. Hence, information that is not available and accessible cannot be utilized by the small scale enterprises and information needs with socio-economic factors are independent variables while small scale enterprise is a dependent variable. The degree of small scale enterprise depends on information needs and socio-economic factors depend on the users (Small Scale Enterprise). However, if information needs and socio-economic factors are effectively used by the users, there is possibility that their business enterprises performance would be improved. It is important to know that information needs and socio-economic factors are physical; their presence could determine small scale enterprises development and success.

Conceptual Model of Information Needs, Socio-Economic factors and Small Scale Enterprises.

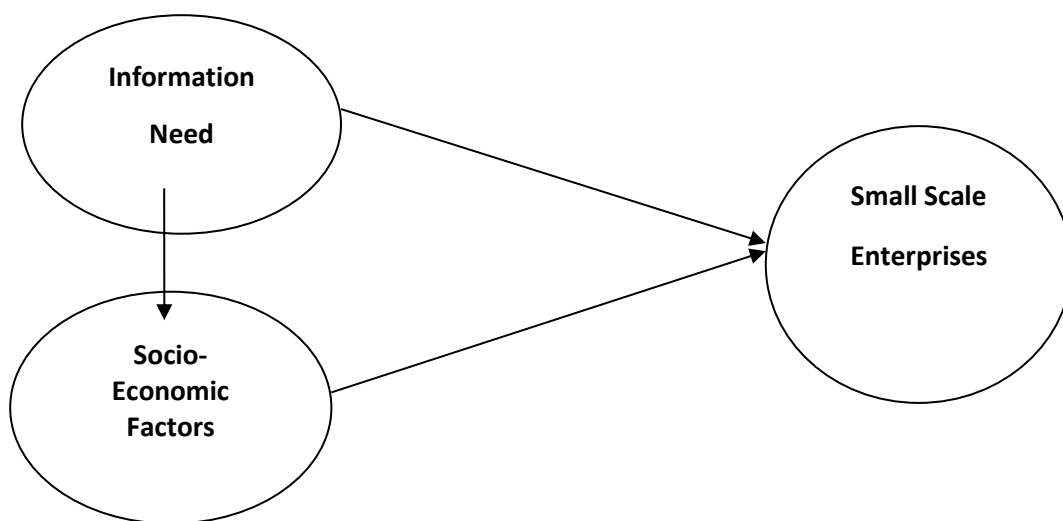


Figure 1

Sources: Self development model, 2020.



It is also observed that the conceptual model try to proposed linkages and relationship between information needs and socio-economic factors (independent variables) and small scale enterprises (dependent variable) in practice. Similarly, information needs and socio-economic factors could influence attitude of small scale enterprises practice. In other words, the arrow shows that information needs interact with socio-economic factors (independent variables) while the both affect small scale enterprises (dependent variable).

Experimental Cases

Many research works have identified information needs and socio-economic factors as major factor that determines the growth and development of the small scale enterprises sector of the economy. This fact has been buttressed over and over again. In the research conducted by Adigwe (2012) in his work “Project Finance for Small Scale Enterprises in Nigeria” he stated that, the provision of basic infrastructure like power, education, water, roads, and transportation is the minimum requirement for enterprises to flourish. Osoba (2003) argues that the infrastructural facilities provided by government helps the growth of small scale business by facilitating the accusation of required inputs these facilities are the essential infrastructures that assist and promote investment. Some of them are; Provision of access roads; Increase improvement in communication facilities like telephone, postal services, etc; Provision and expansion of electricity; Water expansion schemes to service industrial of enterprises sites. The provision of all these facilities help the small-scale enterprises to expand through quick movement of goods and services, expansion of markets for products and lead to a relatively cheaper investment cost. Ben, Faboyede and Fakile. (2013) citing Ojo (2006) concludes that, inadequate infrastructural base coupled with the decay or deplorable conditions of the available ones has posed formidable obstacle to Small Scale Enterprises performance and hence calls for urgent attention by the government. Bitrus and Ahmed (2014) stated that, the infrastructural facilities in many developing countries is grossly inadequate which had led to private provisioning of these facilities and which is at a huge cost which reduces the funds available for their activities.

Experts argue that the infrastructural facilities created by government helps the growth of small scale enterprises, by facilitating the acquisition of required inputs. These facilities are the essential infrastructures that assist and promote investment and growth of the small scale business (Ogechukwu, Oboreh, Umukoro & Uche, 2013). Imoisi and Ephraim (2012) citing Osoba (2003) emphasize that, the problem of unstable and unreliable supply of electricity, dilapidated roads, inadequate supply of water for both home and industrial use, inefficient and costly communication system, among others, have for long hindered the growth and development of small scale enterprises in Nigeria. Nearly all small business operating in Nigeria have one or more power generating plants as an alternative source of power supply. The cost of obtaining, maintaining, sustaining and managing such generating plants are more often than not very expensive and this has made cost of production as well as prices of product very expensive, with the latter turning out to be more and more uncompetitive in comparison with the imported equivalent. It is estimated that, the cost of providing basic infrastructural amenities is high percentage of the total cost of setting up a manufacturing and processing industry in Nigeria.

The small scale business sector in Nigeria is burdened by high cost of operations which reduces the profitability of many businesses and their ability to remain going concerns. Key elements



contributing to the high cost of operations are infrastructural costs and levies and other administrative costs. The main infrastructural cost that small scale business have to contend with include: power, logistics, water, sanitation and social amenities (National Policy on small scale enterprises , 2013). Ugwushi (2009) compared the level at which infrastructural inadequacy and lack of social support lead to small scale enterprises failure in UK and Nigeria and the results revealed that high percentage of the UK respondents chose a little extent and low percentage of chose an average extent. In Nigeria, low percent chose to a large extent and high percent chose to a very large extent. This implies that infrastructural inadequacy is considered very minimal in the UK though it is seen as a very crucial factor influencing small scale enterprises failure. Agu and Imeti (2014) in their research “Issues, Challenges and Prospects of Small Scale Enterprises in Port-Harcourt City, Nigeria” also conclude that inadequate social infrastructures constitute a major challenge in the performance of small scale business in Port-Harcourt City. Mohammed and Bashir (2013) opined that, infrastructural facilities such as transportation networks, pipe borne water, electricity, security, and telecommunication, encourage the establishment, operations and growth of small scale business when they are provided in the required quantity and maintained consistently.

Methodology

The survey research design was employed for this study. The data were analyzed using the Pearson Product Moment Correlation and regression. Information needs and socio-economic factors formed the independent variables while small scale enterprises formed the dependent variable. A random sample of one hundred small scale businesses was selected while eighty seven were analyzed. The instruments used for this study is Information Needs, Socio-Economic factors and Small Scale Enterprises (INSOEFSSSE). The respondents were expected to respond to the items on the instruments on a modified 5 points Likerts scale of SA= Strongly Agreed, A= Agreed, MA = Moderately Agreed, D = Disagreed SD = Strongly Disagreed.

Result and Discussion of finding

Table 1: Demographic Information of Respondents

	Respondents Information	Frequency	Percentage
Sex	Male	40	45.9
	Female	47	54.1
	Total	87	100.0
Age	Below 25 years	15	17.2
	26 – 35 years	20	22.9
	36 – 45 years	47	54.1
	Above – 45 years	5	5.7
	Total	87	100.0
Marital Status	Single	21	24.1
	Married	57	65.5
	Divorced	9	10.3
	Total	87	100.0



Educational Qualification	SSCE / GCE	19	21.8
	OND / NCE	43	49.5
	HND / BSC	21	24.1
	MSC / Ph.D	4	4.6
	Total	87	100
Religion	Islam	26	29.9
	Christianity	61	70.1
	Others	-	-
	Total	87	100
Occupation	Trader	42	48.2
	Farmer	18	20.7
	Others	27	31.1
	Total	87	100
Years of Trading	Less than 5 years	23	26.4
	6 – 10 years	40	45.9
	11 – 15 years	14	16.1
	Above 15 years	11	12.6
	Total	87	100

Table 1 shows the Bio-data characteristics of the respondents. The table shows that 45.9% of the respondents were male while 54.1% of the respondents were female. This means the number of female is more than male business owners. The table display the age of the respondents where 17.2% of the respondents were below 25 years of age, 22.9% were between 26 – 35 years of age, 54.1% were between 36 – 45 years of age and 5.7% were above 45 years of age. This means age between 36-45 years has highest number of business owners. The table above also reveals the marital status of the respondents where 24.1% of the respondents were single, 65.5% of the respondents were married while 10.3% of the respondents were divorced. This means that married people were more than any other marital status among business owners in Ayedade local government. The table shows the educational qualification of respondents where 21.8% of the respondents were SSCE / GCE certificate holder, 49.5% of the respondents were OND/NCE certificate holders, 24.1% were HND/BSC certificate holders while 4.6% of the respondents were MSC/Ph.D holders. This means that majority of business owners were OND/NCE holders. The religion of the respondents from the table above shows that 29.9% of the respondents were Islam while 70.1% of the respondents were Christians. This means that majority of the respondents were Christians. More so, the respondents' occupations from the above table shows that 48.2% of the respondents were traders, 20.7% of the respondents were farmers while 31.1% of the respondents have others business. The table further shows the years of trading of the respondents where 26.4% of the respondents have been in business less than 5 years, 45.9% of the respondents have 6 – 10 years, and 16.1% of the respondents have been in business between 11 – 15 years and 12.6% of the respondent have above 15 years of trading.

Research Question 1: What are the information needs of small scale enterprises in Ayedade local government area?



Table 2: Information needs of Small Scale Enterprises in Ayedade Local Government Area (N=87)

S/N	Information seeking behavior	SA	A	MA	D	SD	Mean	Std.D
1.	There is need for information on business enterprises	37 (42.5)	12 (13.8)	13 (14.9)	13 (14.9)	12 (13.8)	3.56	1.50
2.	Financial information and government policies on business is needed	-	38 (43.7)	37 (42.5)	12 (13.8)	-	3.30	.701
3	There is need to seek information on small scale enterprises from global market	-	49 (56.3)	13 (14.9)	13 (14.9)	12 (13.8)	3.14	1.12
4	There is need to visit information center to seek for business information needed	12 (13.8)	39 (44.8)	-	24 (27.6)	12 (13.8)	3.17	1.35
5.	Business associates provide me with information needed.	37 (42.5)	38 (43.7)	-	12 (13.8)	-	4.15	.98
6.	Media house provides me the information needed for my business	38 (43.7)	37 (42.5)	12 (13.8)	-	-	4.16	.99
7	I rely on information provided by friends and family for business enterprises	25 (28.7)	37 (42.5)	25 (28.7)	-	-	4.00	.76
8	I visit other business organizations to seek information needed	-	38 (43.7)	25 (28.7)	12 (13.8)	12 (13.8)	3.02	1.07
9.	There is need to visit newspaper and magazines vendors for information needed	-	38 (43.7)	24 (27.6)	13 (14.9)	12 (13.8)	3.01	1.07
10.	I search for social media to get information needed for my business	-	-	62 (71.3)	-	25 (28.7)	2.43	.91

Source: Field Survey, 2020

Table 2 above assessed the information needs of small scale enterprises in Ayedade Local Government Area. The result shows that more than 86.2% of the respondents agreed or strongly agreed that the Media house provides the information needed for the business (mean=4.16, Std.D=0.99) and as well asked other members of their business associates (mean=4.15, Std.D=0.98), friends and family (mean=4.00, Std.D=0.76) for information needed for their business. More than 58% of the respondents have the same opinion that they visit information center to seek for business information needed. Furthermore, more than 56% of the respondents agree that they have prior information on their business (mean=3.56, Std.D=1.50). The result further reveals that, a significant percentage (56.3%) of the respondents be of the same mind that they seek information on global market (mean=3.14, St.D=1.14). Less than average (43.7%) of the respondents are of the same mind that they visit other business organization (mean=3.02, Std.D=1.07), newspaper and magazines vendors (mean=3.01, Std.D=1.07) to get needed



information. Also 43.7% of the respondents also agreed that information needs be sought on finance and government policies are needed for the business growth (mean=3.30, Std.D=0.70). The results generally indicates that majority of the small scale enterprises sampled for this study have information from media house, business associates, friends, relatives, and as well visit information center and government policies to get needed information related to business growth and global market issues.

Research Question 1: What roles have social economic factors played towards the growth of small scale enterprises in Ayedade Local government?

Table 3: The Roles of socio –economic factors towards the growth of small scale enterprises in Ayedade Local Government (N=87)

S/N	Socio-Economic Factors that affect SSEs	SA (%)	A (%)	MA (%)	D (%)	SD (%)	Mean	Std.D
1.	Electricity is always available in my business enterprises	13 (14.9)	37 (42.5)	-	25 (23.7)	12 (13.8)	3.16	1.36
2.	Good Road network in my business area	-	-	38 (43.7)	49 (56.3)	-	2.44	.50
3	Public Water Supply is regular in my business area	13 (14.9)	12 (13.8)	13 (14.9)	24 (27.6)	25 (23.7)	2.59	1.42
4	Network Communication (Network service) always available	13 (14.9)	50 (57.5)	-	24 (27.6)	-	3.60	1.05
5	Lack of Access to Modern Technology	24 (27.6)	12 (13.8)	13 (14.9)	25 (28.7)	13 (14.9)	3.10	1.46
6	Lack of financial records	12 (13.8)	13 (14.9)	13 (14.9)	36 (41.4)	13 (14.9)	2.71	1.28

Table 4.9 examined the roles of social – economic factors towards the growth of small scale enterprises in Ayedade Local Government. The result shows that more than 60% of the respondents affirmed that network communication/services are always available (Mean=3.60, Std.D=1.05), and 57.4% of the respondents agreed that electricity is always available (mean=3.16, Std.D=1.36). In contrast, the result shows that more than 50% of the respondents concur that good road network (mean=2.44, Std.D=0.50) and public water supply (mean=2.59, Std.D=1.42) are not available in their business area. Furthermore, less than 41% of the respondents agree that lack of access to modern technology (mean=3.10, Std.D=1.46) and lack of financial records (mean=2.71, Std.D=1.28) influence the growth of small scale enterprises. The result implies that there is consistent availability of electricity and network communication/services contribute towards the growth of small scale enterprises in Ayedade Local Government, while less attention is given to good road network and public water supply in the study area.



Research Question 2: What are the challenges faced by small scale enterprises in the process of seeking for information in Ayedade local government of Osun State?

Table 4: Challenges faced by small scale enterprises in the process of information needs in Ayedade local government of Osun State (N=87)

S/N	Challenges faced Small Scale Enterprises	SA (%)	A (%)	MA (%)	D (%)	SD (%)	Mean	Std.D
1.	Lack of information materials to meet business needs	25 (28.7)	37 (42.5)	13 (14.9)	12 (13.8)	-	3.86	.99
2.	Non-awareness of business information/ business programme	-	37 (42.5)	50 (57.5)	-	-	3.43	.49
3	Inaccessibility and unavailability of information materials	-	50 (57.5)	24 (27.6)	-	13 (14.9)	3.26	1.05
4	Non-orientation/ignorance about use of library for business information.	13 (14.9)	12 (13.8)	50 (57.5)	12 (13.8)	-	3.30	.89
5	Cost of information materials is high	13 (14.9)	49 (56.3)	12 (13.8)	-	13 (14.9)	3.56	1.21

Table 4 above examined the challenges faced by small scale enterprises in the process of information needs Ayedade Local Government of Osun State. Out of five challenges identified in this study, more than 57% of the respondents be of the same opinion that lack of information materials to meet business needs (mean=3.86, Std.D=0.99), high cost of information materials (mean=3.56, Std.D=1.21) and inaccessibility an unavailability of information materials (mean=3.26, Std.D=1.06) are major challenges facing entrepreneurs and small scale business traders in seeking information needs. The results generally indicates that the most three challenges hindering the small scale business traders in seeking information needs are lacked, high cost, unavailability and inaccessibility of information needs materials.

Hypotheses Testing

Hypotheses were tested using Pearson Product Moment Correlation (PPMC) at 2-tailed and multiple regression (R^2) analyses respectively. The PPMC analysis was used to test hypotheses 1 and 2, and it measured the strength of the relationship that exists between independent variables (information needs and socio-economic factors) and dependent variable (growth of small scale enterprises) in Ayedade Local Government Area. The sign of the correlation coefficient indicates the direction of the correlation as either positive or negative. However, the multiple regression analysis was used to test hypothesis 3. The analyses of the hypotheses are shown in Table 4.11 to 4.13:



Hypothesis One (H₀₁): There is no significant relationship between information needs and the growth of small scale enterprises in Ayedade Local Government Area.

Table 5: Correlation Analysis of information needs and the growth of small scale enterprises in Ayedade Local Government Area (N=87)

Variable	Mean	Std. Dev.	R	p.value	Remark
Information Needs	33.9425	8.26643			
Growth of Small Scale Enterprises	23.2874	2.37187	.352	.101	Not. Sig.

**correlation is significant at the 0.01 level (2-tailed)

The result in table 5 shows correlation coefficients and significance values of information needs and growth of small scale enterprises in Ayedade Local Government Area. The result reveals that there was no significant relationship between information needs and growth of small scale enterprises ($r = .352, N = 87, P(.101) > .05$).

H₀₂: There is no significant relationship between entrepreneurship education and the growth of small scale enterprises in Ayedade local government, Osun State.

Table 6: Correlation Analysis of Socio - Economic Factors and the growth of small scale enterprises in Ayedade Local Government, Osun State (N=87)

Variable	Mean	Std. Dev.	R	p.value	Remark
Socio-Economic Factors	35.0575	5.71891			
Growth of Small Scale Enterprises	23.2874	2.37187	.797**	.000	Sig.

**correlation is significant at the 0.01 level (2-tailed)

As shown in Table 6, there was positive significant relationship between socio-economic factors and growth of small scale enterprises in Ayedade Local Government. Statistically, the null hypothesis two was therefore rejected, indicating that socio – economic factors had positive and significant relationship with growth of small scale enterprises in Ife Central Local Government Area of Osun State. The implication of this result is that, when entrepreneurial understand the concept of small scale enterprises and factors that hinder business success, their decision making process will facilitate successful business and will be positively influenced ($r = .797, N = 87, P(.000) < .05$).

Hypotheses Three (H₀₃): Information needs and socio-economic factors have no significant influence on small scale enterprises in Ayedade local government area.

Table 7: Regression Model of Joint Influence of Information needs and Socio-Economic Factors on small scale enterprises in Ayedade Local Government Area of Osun State (N=87)

Variables	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
Intercept a ₀	12.603	.987		12.773	.000
Information Needs	-.053	.019	-.184	-2.742	.007
	.356	.028	.858	12.812	.000



Socio-Factors	Economic					
R² = 0.665, Adj. R² = 0.657, F = 83.360, Sig.: 0.000						

Table 7 above presents the relative contribution and joint influence of information needs and socio-economic factors on the growth of small scale enterprises in Ayedade Local Government Area of Osun State. The standardized coefficients value of information needs is (-.184) and socio-economic factors is (.858) indicates that, 1% increase in the growth of small scale enterprises in Ayedade Central Local Government Area is brought about by 85.8% increase in entrepreneurship education and 18.4% decrease in information needs of the respondents. The implication of this result is that, while socio-economic factors contributes positively to the growth of small scale enterprises in Ayedade Local Government, the information needs of small scale business traders contributes negatively to the growth of small scale enterprises in Ayedade Local Government Area. On the other hand, the estimated value of R² value of 0.665 signifies that about 66.5% of the variation in small scale enterprises in Ayedade Local Government Area is accounted for by information needs and socio-economic factors. This indicates that information needs and socio-economic factors are determinant of successful small scale business. Furthermore, the overall significance of the entire model as measured by the F-statistic demonstrates that the calculated F-stat. which is 83.360 is statistically significant at 0.01. This result therefore rejected the null hypothesis three and accepts the alternative hypothesis. Meaning that information needs and socio-economic factors have significant influence on small scale enterprises in Ayedade Local Government Area of Osun State.

Conclusion

The successfully performance of small scale business traders relies extensively on the information needs and socio-economic factors. Understanding the concept of small scale enterprises and challenges (such as lack of materials, source of funds, and availability of electricity, network communication/services, good road network and public water supply) can be said to be positively related to the growth of small scale enterprises. The negative contribution that information needs seem to have on small scale enterprises in Ife Central Local Government Area was as a result of high cost of accessing information needs materials needed for the enterprises success. The relative joint effect of information needs and socio-economic factors explained 66.5% variation in the growth of small scale enterprises in Ife Central Local Government Area of Osun State. The study concluded that information needs and socio-economic factors are good determinants of successful small scale enterprises in Nigeria.

Recommendations

The following recommendations are made. With the growing rate of business failure among small scale business traders, there is need to educate entrepreneur on various challenges hindering the business and how to avert those problems. This will not only benefit individual business trader but will reduce unemployment rate and contribute to economic growth of the country. Small scale



industry in Nigeria should be provided required information, focus and commit more resources to improve performance of entrepreneurial.

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