

**BUSINESS DEVELOPMENT SERVICE CENTERS AND DEVELOPMENT OF
SMALL AND MEDIUM ENTERPRISES IN THE NORTHERN PROVINCE OF
RWANDA**

A Thesis

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In Partial Fulfillment of the Requirements for the Degree
Masters of Arts in Project planning and Management

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DECLARATION A

This thesis is my original work and has not been presented for a Degree or any other academic award in any University or Institution of higher Learning.

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Name and Signature of Candidate



Date 17/10/2011

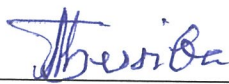


DECLARATION B

I confirm that the work reported in this thesis was carried out by the candidate under my supervision.

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Date 17-10-2011



APPROVAL SHEET

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DEDICATION

To Almighty God who has guided me from birth up to now

To all entrepreneurs and those who hate injustice and ignorance

To my parents, my brothers and sisters who not only funded me but also encouraged me to expand my horizons and be that I am.



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ACRONYMS

BDSCs: Business Development Service Centers

BDSs: Business Development Services

EDPRS: Economic Development and Poverty Reduction Strategy

EU : European Union

GDP: Gross Domestic Product

ILO: International Labor Organization

MINICOM: Ministere de l'Industrie et du Commerce

NGO: Non Governmental Organization

PSF: Private Sector Federation

RPSF: Rwanda Private Sector Federation

RFW: Rwandan Franc

SMEs: Small and Medium Enterprises

UNIDO :United Nations Industrial Development Organization

USD: United State Dollar

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ABSTRACT

The study was set out to investigate how Business Development Service Centers contributed to the development of SMEs in the Northern Province of Rwanda. It was in form of descriptive research design. The study population comprised of 214 people includes Business development service centers staffs, officials from the Ministry of Trade and Industry, and the Small and medium enterprises' managers from which a sample of 187 respondents was chosen; using Purposive, simple random and stratified sampling methods. Questionnaires and interview were used in collecting primary data. The collected data were analyzed using Statistical package for social science software (SPSS).

The findings revealed that Business development service centers have helped Small and medium enterprises' development through employment creation, business formalization, increase in income, skills improvement and business growth. The aim of Business development service centers in the provision of business development services to small and medium enterprises is to enable the entrepreneurs to take advantage of market opportunities and to improve the access to skills development opportunities that strengthen entrepreneurial capabilities.

The study concluded that there is a developmental relationship Business development service centers and Small and medium enterprises. Business development service centers support the development of Small and medium enterprises and are resourceful as they contribute to solving various constraints faced by them and Small and medium enterprises make more money as a result of empowerment by Business development service centers.

The study recommended adequate funding and enough staffs to Business development service centers to facilitate them perform their functions adequately.

CHAPTER ONE

THE PROBLEME AND ITS SCOPE

Background of the study

During the past decade, there has been an explosion of interest in how small and medium enterprises (SMEs) can help provide jobs, alleviate poverty, and supply the essential goods and services people need to enjoy an adequate standard of living and maintain basic human dignity.

Carl (1991) postulates that this interest has been the result of several developments. First, the nature and extent of employment in small and medium enterprises have been studied in a wide variety of countries. Through path-breaking studies, the importance of small and medium enterprises, in terms of employment levels and numbers of enterprises, has been documented in both developing nations and industrialized countries such as the United States, Italy, and Germany. In addition, research since the 1980s has shown that small businesses play a major role in generating non-farm employment in industrialized countries, as well as in developing countries and regions.

In Rwanda, the government has a vision to become a middle-income country. In order to achieve this goal, the medium term Economic Development and Poverty Reduction Strategy (EDPRS) states that it must achieve an annual GDP growth rate of 8.1% and increase off-farm employment to 30% by 2012. Although Rwanda's economic performance

is strong, there remains much to be done if Rwanda is to meet its 2020 goals. In order for Rwanda to meet these goals, the GDP needs to grow from US\$250 to US\$900 in 2020; and this can only be achieved through major growth in the Private sector comprised largely of Small Medium Enterprises (SMEs).

According to the Ministry of Trade and Industry of Rwanda (2010), the Small and medium enterprises comprise 98% of the businesses and 41% of all private sector employment. Most small enterprises employ not less than four people, showing that growth in the sector would create significant private sector non-agricultural employment opportunities if Small and medium enterprises are supported to grow.

Small and medium enterprises (SMEs) are seen as increasingly valuable contributors to the promotion of economic growth and the country's development. This view is illustrated and promoted in the Economic Development and Poverty Reduction Strategy (EDPRS) of Rwanda, where the commitment to enabling the private sector to contribute to economic growth is frequently referred to and emphasized.

To realize this strategic program above, different programs have been identified and implemented by the government in collaboration with non government development partners. One of such important programs is the Business Development Service centers (BDSCs) which was launched in 2006 with the main purpose of promoting entrepreneurship and business growth in Rwanda. This is due to their importance in economic growth of the country and to the different challenges they face and the support aims

at finding solutions. For effective service delivery, Business development service centers were established in each district of the country.

Statement of the problem

Small and medium enterprises in Rwanda still face a number of development bottlenecks. They are affected by general and specific constraints as indicated in the study conducted by World Bank experts in 2004. Difficult access to financing, limited market information; difficulties in obtaining raw materials and other inputs and at reasonable cost, limited resource facilities; lack of technical and management know how, inadequate infrastructure, high taxes and cost of doing business are some of the problems faced by most Small and medium enterprises (PSF 2005).

According to the Ministry of Trade and Industry (MINICOM 2006), Rwanda SMEs also face general constraints like inadequate Energy supply; Cost of international transportation; poor quality standards of Rwandan products and services; limited institutional capacity; limited access to finance and poor infrastructure. These constraints relate to socio economic situation of the country and hinder the growth of SMEs.

The Rwandan Small and medium enterprise development policy (2010) proposed that the Business development service center network would be one of the most important instruments to spread support to small enterprises as each center would operate at local level. This government outlook resonates with views by Hisrich and Shepherd (2005), Flyd and McManus (2005) and Timmons (2002) who emphasize that the creation of small businesses is a necessity for national economic development.



Bennett (2008), in a seminal paper, reinforced the above by further arguing that small businesses account for 99% of all companies in developing countries. He suggests that they are a constituency that governments must continually engage them to improve the dynamism of the economies of their countries. Business development service centers (BDSCs) were thus established in Rwanda to support small business with a particular focus in rural sector by providing business support services to the Small and medium enterprises. However, despite the launch of the Business development service centers in 2006 to provide support to small and medium enterprises, they have not developed as fast and as much as was anticipated.

Purpose of the study

To investigate how Business development services contributed to the development of small and medium enterprises in the Northern Province of Rwanda.

Objectives of the study

General objective

The main objective in this study was to analyze how Business development service centers contributed to small and medium enterprises' development in Northern Province of Rwanda.

Specific objectives

The specific objectives of the study were:

1. Determine the activities of SMEs supported by Business development service centers;

2. Find out the types of business development services provided by Business development service centers to small and medium enterprises;
3. Evaluate the capacity of Business development service centers to provide business development services to small and medium enterprises;
4. Determine how Business development service centers have helped small and medium enterprises' development;
5. Identify challenges faced by both Business development service centers and small and medium enterprises;

Research questions

This study was led by the following questions:

1. What are the activities of small and medium enterprises supported by Business development service centers?
2. What types of business development support services are provided by Business development service centers to small and medium enterprises?
3. Are Business development service centers capable to provide support services to small and medium enterprises?
4. To what extent Business development service centers have helped small and medium enterprise's development?
5. What challenges are both BDSCs and SMEs facing?

Scope of the study

Geographical scope

This study covered the Northern Province of Rwanda. It is composed of five districts and in each districts there is one Business development service center (BDSC) to promote SMEs.

Content scope

This study focused on identifying various business development services provided to SMEs, evaluating the capacity of business development centers to provide support services; and it was concentrated on determining to what extent BDSCs have helped SME's development.

Theoretical scope

The study was carried out on Business development service centres and development of SMEs in Northern Province of Rwanda. The study was guided by theory of Oduraa Ofei Aboagye (1998) which says that the provision of business development services and financial schemes is a common approach towards enterprise development.

Time scope

The time scope mainly covered the period from 2006 to 2010.

Significance of the study

The study helped the researcher to gain a deeper understanding on business development services and how they contribute to SME's development.

The findings of this study generate useful information that contributes to finding solutions to the success of SMEs development in Rwanda. It also provides recommendations which can be used to improve the provision of business development services to SMEs. The findings provide an understanding on the provision of business development services and their contribution to SME's development so that other entrepreneurs can request these services in order to grow their businesses.

The study constitutes the documentation and is a basis for further research on the same subject.



Operational definitions of key terms

Business development service center (BDSC) or service center:

refer to those entities that provide business development services aimed at helping to set up a business or to expand it.

Business development service (BDS): refer to non-financial "services that improve the performance of SMEs. These services include: training, consultancy and advisory, market information, referral and networking, access to finance, business linkage. They have the potential to help new entrepreneurs and existing businesses to develop and grow, become more competitive, and contribute to the general economic development of Rwanda.

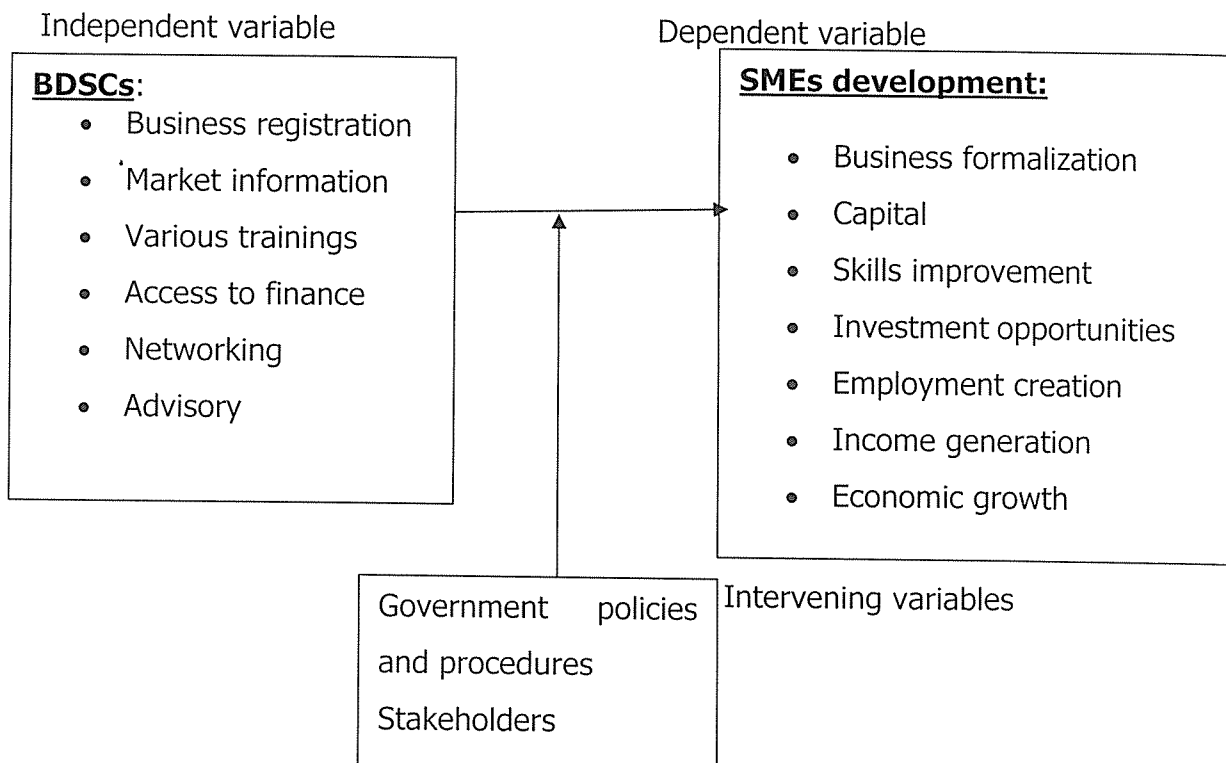
Small enterprise: refers to those enterprises which have 4 to 30 employees, have less than 5,000,000rwf to 15,000,000rwf of net capital investments and have annual turnover less than 3,000 000rwf to 12,000,000rwf

Medium enterprise: refers to those enterprises which have 31 to 100 employees, have less than 15,000,000rwf to 75,000,000rwf of net capital investments and an annual turnover less than 120000000rwf to 50,000,000rwf.

Exchange rate of rwf to US: 1\$=590 rwf

Conceptual framework

The conceptual framework shows how business development services provided influence the development of SME's.



The provision of business development services such as business registration, market information, trainings (business plan preparation, business management skills, ICT and internet), access to finance (linking SMEs to financial institutions, and other sources of funds), Networking (local exhibitions, trade fairs), Advisory (investment opportunities, taxes issues) can influence the SMEs development by becoming formal entities, getting capital, creating employment, increasing their income and by growing the country's economy. This will be facilitated by the government policies and other stakeholders.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

Concepts, Ideas, Opinions from Authors/ Experts

Business development service center (BDSC)

Matlay (2004), Haftendom and Bessler (2003) define a "service centre" as a structure set up under an existing national legal framework to provide business development services to small enterprises. Adams (2003) explains this further when she indicates that it is a vehicle for local partnership and a mechanism for directing local economic development. A "service centre" is also known as a "one-stop shop", "business centre", "enterprise development agency", "business support" or "local enterprise agency".

O'Neill and Cromie (2003) define a "one-stop shop" as the provision of a seamless collection of services to small business under one roof. They say that this is difficult to attain and talk should rather be of "first-stop shops", which would mean "first-time entrepreneurs get service under one roof to set up shop.

Matlay (2004) and Sievers et al (2003) declare that the stated objective of such centers is to offer a full range of services to small and medium enterprises in a specific locality.



Business development service centers and economic development

World Bank (2008) observed that local economic development builds up the economic capacity of local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation. The emphasis of "local" in economic development points to the fact that the political jurisdiction at local level is often the most appropriate place for economic intervention as it carries accountability and legitimacy.

Nel and Rogerson (2005) reinforce the fact that government has identified local authorities as agents of change and tasked them to respond to the development needs of their economies. This is a logical development and does not need debate as this, according to Nel and Rogerson (2005), will generate a lot of activity.

Taylor and Plummer (2003) assert that an appropriate way to encourage local development is two-fold:

- Entrepreneurship education which includes management and skills training; and
- Enterprise facilitation which involves getting local communities to participate fully in local economic activity.

It is therefore argued that business development service centers are an integral part of local economic development and that these centers should then be at the center of local economic development.

Business development services (BDSs)

Gibson (2001) maintains that there is no universally accepted definition of “business development services” and the best approach is to relate them to the needs of businesses. However, the Committee of Donor Agencies for Small Enterprise Development (ILO, 2001) gives a broad definition when it holds that business development services refer to a wide range of services used by entrepreneurs to help them operate and grow their businesses.

Rogerson (2006) and the Committee of Donor Agencies for Small Enterprise Development (ILO 2001) see business development services as a wide array of non-financial services critical to the entry, survival, productivity, competitiveness, and growth of small enterprises and an effective strategy of private sector development.

The commission of the European Communities (ILO 2000) and International Finance Corporation (Hallberg 2000) refer to business development services as “services originating in a public policy initiative”. Bellini (2002) endorses the International Finance Corporation and European Union and points out that an essential feature of these is that they provide collective learning.

Harper (2005) and the International Labour office (ILO) postulate that they are a wide variety of non-financial services. According to them, they include labour and management training; extension, consultancy, and counseling; marketing and information services; technology development

and diffusion; and a mechanism to improve business linkages through sub-contracting, franchising, and business clusters.

Rogerson (2006) quotes from research by Miehlbradt and McVay in 2003 to argue that business development services have the broader purpose of making small businesses contribute to economic growth, employment generation and poverty alleviation.

Business development service providers

Bratton, Bennett et.al (2003) classify Business development services into three forms which are: private sector-suppliers, business associations and public service providers created or sponsored by government.

In a later paper Bennett (2008) declared that four strands stand out in the supply of Business development services: increasing the rate of business starts up; improving the survival or growth prospects of existing SMEs; improving the general environment for all firms, but targeting effort where most benefit accrues to small and medium enterprises (for example, information, skills, access to finance); and reducing burdens, regulation, and compliance costs for SMEs (for example, by various special tax and exemptions requirements for small and medium enterprises).

Business development services centers in Rwanda

In order to provide services for the Rwandan enterprises, Business development service centers were created in each district. The Mission of these entities is to provide relevant business development services that lead to sustainable economic growth and development.



The Business development service center-Network was established in 2006 focusing on rural areas. The following table illustrates the Business development service centers objectives and planned activities.

Table 1: BDSC program activities and objectives and related services

BDSC activities	Objective	Services
Training	Build capacity through training and mentoring	<ul style="list-style-type: none"> • Basic management techniques • Business idea elaboration • Technical training • Regulatory issues • Accessing financing • Clustering and partnering • Saving and investment
Information	Provide and create relevant information for private sector	<ul style="list-style-type: none"> • Library of basic materials • Custom research • Computer / internet access • Company formation and regulatory issues • Monthly newsletter
Finance	Facilitate easier access to financing	<ul style="list-style-type: none"> • Maintain database of finance sources and terms • Referral to consultants for business plan development • Connect clients with CEDP business plan competition • BRD representative in each office.
Networking	Create a stronger regional and national business community	<ul style="list-style-type: none"> • Regular networking events • Mentoring program • Bulletin board • Showcase speakers and regional BPC winners • Annual business award.
Consultancy & Advisory	Ensure quality of consultant services.	<ul style="list-style-type: none"> • Maintain database of "certified" consultants • Assist clients to access consultants and structure engagement • Monitor quality of consultants and client satisfaction

Source: Rwanda Private Sector Federation: BDSC action plan 2006

Small and medium enterprises (SMEs)

The definition of small and medium enterprise varies from country to country or from organization to another depending on the economic and socio-political context of the country. Various definitions include the number of employees, turnover, assets, etc. They also vary from country to country depending on the size of the economy. Some definitions even do not differentiate between small businesses while the others do. (Japheth 2008).

Billet (2001) asserts that small businesses are kinds of enterprises that have particular operational characteristics and needs.

For example, in Australia Small businesses are those businesses employing less than 20 people; in U.S.A Small business is the business which is employing less than 100 employees; in Europe most countries define Small business as the business which is employing less than 50 employees, while in Rwanda Small business is the business which is employing less than 31 employees. (MINICOM, SMEs Development policy, 2010)

Small and medium enterprise in Rwanda

A 2008 Private sector federation study found that most small enterprises in Rwanda start off as micro businesses and grew into small businesses or they are formed to supplement the income of middle to upper income households. Rwandan small and micro businesses comprise 97.8% of the private sector and account for 36% of private sector employment. They

often lack proper accounting and financial systems. (MINICOM, SMEs Development policy, 2010)

Rwandan medium sized enterprises, by contrast, are well-established businesses that are individually or jointly owned. They have set administrative processes, qualified personnel and trained staff, employ between 50-100 people and account for 0.22% of businesses in Rwanda, contributing 5% of total private sector employment. Combining these categories shows that SMEs comprise approximately 98% of the total businesses in Rwanda and account for 41% of all private sector employment.

SME definition in Rwanda

The table below gives the definition of SMEs in Rwanda in line with the World Bank report of 2004. SME is a popular term used to define specifically small and medium enterprises. Registered cooperatives in Rwanda are also included in this definition as SMEs.

Table 2: Definition of SMEs

Size of the Enterprise	Net capital investments (Million RwF)	Annual Turn over (Million RwF)	Number of Employees
Micro Enterprises	Less than 0.5	Less than 0.3	1 to 3
Small Enterprises	0.5 to 15	0.3 to 12	4 to 30
Medium Enterprises	15 to 75	12 to 50	31 to 100
Large Enterprises	More than 75	More than 50	More than 100

Source: MINICOM (2010), SME's development Policy

Theoretical perspectives

The role of small and medium enterprises to the growth process of a country has been acknowledged by various actors including governments, NGOs, governmental organizations and donor organizations. (Oduraa Ofei-Aboagye, 1998). The provision of business development services and financial schemes is a common approach towards enterprise development.

Business development services and financial schemes are provided at various stages of enterprises development, including start-up and expansion (Kapila and Mead, 2002). Financial services include the provision of micro-credit and loans; while non-financial services refer to a range of business development services that boost the competitiveness of SMEs through higher productivity, better product design, improved service delivery, enhanced market access (Sievers and Vandenberg, 2007), group training, individual counseling and advice, technology development and transfer, information provision as well as business links and policy advocacy. (Kapila and Mead, 2002).

Business opportunities for small and medium enterprises are not created by external intervention but they rather arise from markets and entrepreneurial capabilities. (UNIDO 2003). Therefore, the aim of SMEs development and the provision of business development services is to enable the entrepreneurs to take advantage of market opportunities and to improve the access to skill development opportunities that strengthen entrepreneurial capabilities. (UNIDO 2003).

Depending on the national endowment factors, sources of raw materials, tastes and consumption patterns, there are various market opportunities for micro, small and medium scale enterprises (Mead and Liedholm, 1998). Moreover, SMEs development contributes to the dual goal of poverty reduction and growth (Mead and Liedholm, 1998: p. 71). For growth supporting activities the major objective is to encourage capital accumulation and generation, and to seek for possibilities to expand the business by generating profits (Oduraa Ofei-Aboagye, 1998).

In general it is believed that the access to financial and business development services can aid the growth of micro and small enterprises and can be critical to the entry, survival, productivity and competitiveness of SMEs (Sievers and Vandenberg, 2007).

According to the Committee of Donor Agencies for Small Enterprise Development (2000), to provide successful business development services, it is crucial to deliver these in a business-like manner meaning that they are demand-led, entrepreneurial, and that the service provider acts as commercial market player. Business development service providers should establish with the SMEs a transactional relationship based on exchange rather than charity, and develop a sound understanding of the needs of their clients as part of their business strategy.

RELATED STUDIES

Current debate on business development services

Harper (2005), Schmitz (1998), Tanbum and Hallberg (2000) believe that the distribution of Business development services by business development service centers should be "demand driven" as opposed to the "supply-side approach" in which government provides subsidized services directly or through intermediaries. They are demand driven when SMEs specify what they want and supply oriented when officials decide what they need and they provide it.

The Committee of Donor Agencies for Small Enterprise Development (2001) argues that the debate on the delivery of business development services can be traced back to conferences in Harare in (1998), Rio de Janeiro (1999) and Hanoi (in 2000). These were called to determine best practice in the delivery of services as there were problems with the current supply-driven procedures.

The end result of these conferences and other interactions (Committee of Donor Agencies for Small Enterprise Development (2001) resulted in the determination of the guiding principles which reflect:

- A fundamental belief in the principles of a market economy, where the state has a role in providing an enabling environment;
- That business development services are private goods and similar to any other service and market rules; and
- The expectation that with the appropriate product design, delivery and payment mechanisms, business development services can be

provided on a commercial basis even for the lowest income segment of the entrepreneurial small business sector.

Bateman (2000) feels that the new trends seem to overlook the positive role the state and its agencies played in many of the economy successes of the past. He specifically refers to the rise of Asian economies as a result of state intervention. He sums up his debate by stating that fairness, equity and a commitment to social welfare were key ingredients in the role the state played in the provision of business development services to all who were interested. It can be argued that these contentions are similar to those made for compulsory free education or free basic medical services. At the end of the day, cogent arguments can be made that Business development service centers are as key as education and health more so for unemployed adults.

Chrisman and Carsrud (1991) point out that the Small Business centers (SBCs) in the United States were started in order to offer free managerial assistance and new ventures. They believe that many of these small businesses could not afford the services of private consultants. After all, the developing world still has to deepen capacity in SME support strategies and thus strengthen their economies.

Small and medium enterprises

In the recent years, it has been acknowledged that small and medium enterprises (SMEs) can positively influence the economic growth of developing countries. The entrepreneurs of these SMEs do not only create

income and employment, but they generate wealth and contribute to welfare in the long run.

Small and medium enterprises in developing countries are however confronted with several drawbacks and challenges they have to overcome in order to operate successfully. Major obstacles include for example access to finance (Arthur, 2003), competition (Murphy, 2007), market access (Mead and Liedholm, 1998), appropriate technology (UNIDO, 2002) and access to raw materials (Mead and Liedholm, 1998). Assistance and support to strengthen these small informal and formal businesses can lead to higher profits, wages, and employment levels which in turn can contribute to a bottom-up transition out of poverty for entrepreneurs and workers. (Sievers and Vandenberg, 2007).

In order to strengthen the position of SMEs, the access to financial and non-financial services can contribute to the performance and expansion of these enterprises. Financial services include the provision of micro-credit and loans while non-financial services incorporate a wide range of Business Development Services (BDS). Next to the strengthening and the expansion of existing SMEs, the support of new enterprises (start-up enterprises) can contribute to development and growth (Mead and Liedholm, 1998).

Role of SMEs in the development progress of a country

Pedersen and McCormick (1999) hold that in many African countries industrialization is seen as a key to development because industrial jobs



promise higher family incomes and improved quality of life, especially for the growing numbers of workers who have little land.

In the recent years, the importance of formal SMEs in manufacturing to spur industrialization has been acknowledged (Sievers and Vandenberg, 2007).

Nowadays, it has been recognized that SMEs play an important role in the economic growth process of developing countries and it is believed that the success or failure of a transition economy can be traced in large part to the performance of its entrepreneurs. (McMillan and Woodruff, 2002).

The entrepreneurs of these SMEs do not only create income for their households and families, but they generate income and employment for their apprentices and workers leading to a bottom-up transition out of poverty for entrepreneurs and workers (Sievers and Vandenberg, 2007).

Compared to large enterprises, SMEs are more labour intensive employing more labour per unit of capital than large enterprises. (Kayanula and Quartey, 2000). In addition to poverty alleviation, SMEs contribute to the growth of a country by contributing to welfare and generating wealth. Due to their small and perceived flexible nature SMEs are expected to be able to withstand adverse economic conditions and survive where many large businesses would collapse (Aryeetey and Ahene, 2004). The flexible structure is also an advantage when it comes to adapting quickly to customers demands (Kayanula and Quartey, 2000).

CHAPTER THREE

METHODOLOGY

Research Design

The research design adopted for this study is descriptive research design. This design is chosen because it provides a more holistic picture and analysis on how Business development services have helped SMEs' development. The study was both qualitative and quantitative. The quantitative data was obtained using structured questionnaires, while the qualitative data was obtained from interviews and observations.

Research population

The target population comprised of five BDSCs in the five districts of the region, SMEs managers and the officials of the Ministry of Trade and industry.

Table 3: Targeted population

Category of respondents	Targeted population
Policy Makers	2
BDSCs in the province	10
SMEs Owners/ Managers	202
Total	214

Sample size

Sloven's formula below was used to determine the sample size.

$$n = \frac{N}{1 + N \times (e)^2}$$

Where

n= number of sample

N= total population

E=level of significance 0.05

Table 4: Sample size and sampling procedures

Category of respondents by District	Targeted population	Sample size	Sampling Procedure
1. Musanze District			
BDSCs	2	2	Purposive
SMEs Managers	51	40	Random sampling
2. Rulindo District			
BDSCs	2	2	Purposive
SMEs Managers	36	33	Random sampling
3. Gakenke District			
BDSCs	2	2	Purposive
SMEs Managers	24	23	Random sampling
4. Burera District			
BDSCs	2	2	Purposive
SMEs Managers	37	34	Random sampling
5. Gicumbi District			
BDSCs	2	2	Purposive
SMEs Managers	54	45	Random sampling
6. Policy Markers	2	2	Purposive
Total	214	187	

Sampling Procedure

The sampling procedures used are stratified sampling to categorize the respondent, purposive sampling and simple random sampling to give the same chance to each category to be selected.

Research instrument

A self-administered questionnaire was used to collect primary data. The researcher designed the questionnaire in such format where there were - closed and open-ended questions. For closed questions, respondents were supposed to pick responses from a list, category of questions. For open-ended, respondents were requested to give their own responses and opinions.

In order to get the backgrounds, the theoretical foundations of this study, and to collect appropriate data, reading books, published documents, reports, and policy papers related to the study was obviously crucial. This helped to get the background to the problem, as well as the literature related to the research topic.

The researcher organized and conducted face to face interviews with respondents and recorded the findings. Interview was intended to add quality to the information provided by the questionnaire.

Validity and reliability of the research instruments

The research instruments that the researcher used were questionnaire and interviews. Questionnaires were cross examined for approval by the supervisor and two experts to ensure that the information they would generate is appropriate and reliable. The researcher carried out a pre-test

of the questionnaire before using it in the research. The content validity method was used to assess the validity of the questionnaire and interview guide by using the formula below:

$$\text{CVI} = n/N$$

n: number of items declared valid in the questionnaire

N: total number of items

= 12/13 (0.92) for the questionnaire

= 4/5 (0.8) for the interview guide

Since the CVIs of both instruments are greater than 0.7, both instruments are irrefutably valid as well as ready for data collection.

Data gathering procedures

Before the administration of the questionnaire

An introductory letter was obtained from Kampala International University requesting for permission to undertake this research. The researcher introduced himself to the targeted samples in the districts. The researcher then prepared questionnaire and pretested it before administering it.

During the administration of the questionnaire

The respondents were requested to answer completely and not to leave any part of the questionnaire unanswered.

The researcher and assistants were emphasized retrieval of the questionnaire within three days from the date of distribution.

On retrieval, all returned questionnaire were checked if all are answered.

After the administration of the questionnaires

The data gathered were collated, encoded into the computer and statistically treated using the Statistical Package for Social Sciences (SPSS).

After all these steps, the following crucial activity was that one of analyzing data and making conclusions and recommendations.

Data analysis

Data analysis method was quantitative in nature and involved using descriptive statistics in terms of mean, percentages and frequency distributions. SPSS software was used as a tool for data analysis. The findings were presented in form of tables.

To interpret the responses of the respondents, the following qualification of interpretation were used:

<u>Mean ranges</u>	<u>Responses</u>	<u>interpretations</u>
3.26-4.00	Strongly Agree	Very high
2.51-3.25	Agree	High
1.76-2.50	Disagree	Low
1.00-1.175	Strongly disagree	Poor

Ethical Considerations

There is a need for the researcher to use professional and ethical standards to plan, collect and process data. The researcher ensured that he was objective and used objective methods in data collection.

The data were interpreted according to general methodological standard and irrelevant elements were excluded from the report.

To ensure that the ethics is practiced in this study as well as utmost confidentiality for the respondents and data provided by them, the following was done (1) coding of all questionnaires; (2) authors mentioned in this study were acknowledged within the text; (3) findings were presented in a generalized manner.

Limitations of the study

1. A major barrier to this study was the language because some of the respondents could not express themselves in English, it was necessary for the researcher to translate the questionnaire into Kinyarwanda;
2. Intervening or confounding variables which were beyond the control such as honesty of the respondents and personal biases. To minimize such conditions, respondents were requested to be as honest as possible and to be impartial / unbiased when answering the questionnaires.
3. The other problem was that all the questionnaires were not returned. For 187 questionnaires distributed, 184 were returned completely answered.

CHAPTER FOUR

PRESENTATION, INTERPRETATION AND DISCUSSION OF FINDINGS

Introduction

Findings from the study are presented according to the research questions as stated in chapter one.

- What are the activities of small and medium enterprises supported by Business development services?
- What types of business development services are provided by Business development service centers to small and medium enterprises?
- Are business development service centers capable to provide support services to small and medium enterprises?
- To what extent Business development service centers have helped SME's development?
- What challenges are both Business development service centers and small and medium enterprises facing?

Profile of respondents

The table below shows the background information of the respondents.

Table 5: Profile of the respondents

Background information	Category	Frequency	Percentage
Gender	Male	150	81.6
	Female	34	18.4
	Total	184	100
Age	20 – 30	20	10.9
	31 – 40	73	39.7
	41 and above	91	49.4
	Total	184	100
Academic level	University degree	18	9.8
	Secondary	69	37.5
	Primary	97	52.7
	Total	184	100
Marital status	Married	158	85.9
	Single	17	9.2
	Divorced	2	1.0
	Widow (er)	7	3.9
	Total	184	100
Size of the enterprise	Micro(1-3 employees, Annual turnover less than 3,000,000 Rwf)	13	7.6
	Small (4-30employees, Annual turnover 3,000,000 to 12,000,000Rwf)	159	92.4
	Total	172	100
Reason for starting business	To be own boss	104	60.5
	Market opportunities	59	34.3
	Success of other similar business	9	5.2
	Total	172	100
Sources of funds	Savings over time	44	25.5
	Borrow from friends and family	32	18.6
	Loans	96	55.9
	Total	172	100



The information given in the table above shows that 150 respondents (81.6%) out of 184 were male; while 34 respondents or 18.4 were female. This indicates that women entrepreneurship is low in the northern province of Rwanda.

Concerning the age of the respondents, the results show that 91 or 49.4% of the respondents had the age above 41 years, 73 or 39.7% of the respondents were in the interval of 31-40 years; while 20 people or 10.9% were found in the interval of 20-30 years. This means that our respondents were mature enough to run their SMEs.

In terms of marital status, the table above shows that 158 respondents or 85.9% were married, the single were 17 or 9.2% and the widow and divorced represented 3.9% and 1.0 respectively.

In terms of qualification, 97 respondents had achieved primary level (representing 52.7%), 69 respondents (representing 37.5%) had achieved secondary level, and 18 respondents had achieved University level (representing 9.8%).

As indicated in table above, 87% of our sample employed between 4 and 30 people. This implies that the majority of our respondents were small enterprises. The Micro enterprise represented 13% of our sample. Considering the annual turnover of the SMEs, the results from the table show that the big portion of the respondents was small enterprise which

represented 87% and 13% of the respondents represented the Micro enterprise. The Medium enterprise is excluded in our sample.

The results from the table above show that there were three main reasons to start a business. The first reason is that many entrepreneurs started their SMEs because they wanted to be their own bosses as it is confirmed by 60.3% of the respondents. 34.5% of our respondents asserted that they decided to run their businesses because there were market opportunities; while 5.2% of the respondents started the business because of the success of other similar businesses. This may suggest that there is a risk of business duplication even for those who wanted to be their own bosses.

In terms of sources of funds for the entrepreneurs to start a business, the research has found three sources which are: savings over time, money borrowed from family and friends, and loans from microfinance institutions.

The results from the table above show that 55% of the SMEs were funded by loans, followed by savings, and other SMEs were funded by the money borrowed from friends and family.

Activities of small and medium enterprises supported by Business development service centres

The first question of this research was “what are the activities of small and medium enterprises supported by Business development service centers?”. Our research has found four categories of activities of SMEs

which were interacting with BDSCs: SMEs engaged in agriculture and livestock activities, service activities, crafts, and the last were engaged in agro-industry activities.

Table 6: Activities of SMEs supported by Business development service centers (n=172)

	Sector of activity	Frequency	Percent
Valid	Agriculture and livestock	52	30.2
	Service	42	24.4
	Crafts	52	30.2
	Agro-industry	26	15.1

The findings from the table above reveal that most of SMEs in the Northern Province of Rwanda are concentrated in agriculture and livestock, and Crafts represented by 30.2% of the sample, followed by SMEs engaged in service activities represented by 24.4% of the sample; and the last category is of those SMEs engaged in agro-industry activities represented by 15.2% of the sample.

Business development services provided to Small and medium enterprises by Business development service centers

The second question of this research was "What types of business development services are provided by Business development service centers to small and medium enterprises"?

The research found different business development services offered.

Table 7: Business development services offered by Business development service centers to small and medium enterprises

N0	Business development services provided to SMEs by BDSCs	Mean	Interpretation
1	Business registration	3.66	Very high
2	Training on business plan preparation	3.96	Very high
3	Training on business management skills	3.13	High
4	Training on ICT and Internet	2.91	High
5	Training on tax regulation issues	1.35	Low
6	Advice on investment opportunities	1.35	Low
7	Assistance to get funds for running a business	1.36	Low
8	Market information	2.75	High
9	Networking service	2.12	Low
	Average mean	2.51	High

The results from table above indicate that the SMEs strongly agreed (mean 3.66) that they received business registration service in order to work as formal entities. The provision of business registration service is very high.

As indicated in table above, entrepreneurship development skills service is divided into various services:

- Trainings on business plan preparation: the respondents strongly agreed that they received trainings on business plan preparation (mean 3.96), and this suggests that this service is provided at very high level to SMES.
- Business management skills (book keeping, human resource management): respondents agreed (Mean 3.13) that they received trainings on this service.
- Information and communication technology (ICT) and Internet services: Most of the respondents agreed that they received this service. This suggests that SMEs can make orders, receive and interact with its clients and other partners in development through these acquired skills.
- Business advice or (advice on investment opportunities): for this service, results indicate that it was provided at lowest rate (mean 1.35) this suggests that respondents disagreed with its provision.
- Training on tax regulation issues: for this service, respondents disagreed with its provision (mean 1.35).

In terms of access to finance service, respondents disagreed with its provision (mean 1.36). This suggests that BDSCs link SMEs to financial institutions by indicating business development funds available and other potential sources of funds, but they don't provide financial assistance. Even though SMEs are trained on business plan preparation, their access to finance has the problems related to lack of collateral, high interest rate and distrust of financial institutions vis a vis the SMEs.

For Market information service, respondents agreed that they received it (mean 2.75). It is provided through business bulletin and workshops.

In terms of networking service, respondents disagreed with its provision (mean 2.12). This suggests that networking events were not enough. The service implies participation of SMES in national and local exhibitions.

Evaluate the provision of business development services by Business development service centers

The third question of this study was "Are Business development service centers capable to provide business development services to small and medium enterprises"? The findings are presented in table below.

Table 8: Respondents responses on the capacity of Business development service centers to provide services to SMEs

	Mean	Interpretation
BDSC has enough staffs to help me to improve productivity	1.84	Low
They respond promptly to our demands	3.49	Very high
They are knowledgeable on SMEs	3.25	High
They offer a variety of solutions for different problems	3.15	High
They have good communication skills	3.65	Very high
BDSCs staffs are easy to work with	3.18	High
They support me by giving the information I need	3.04	High
They assist me with most trainings of my business needs	3.04	High
They support me from start to finish the setting up of my business	2.45	Low
I am prepared to recommend BDSCs to other people	3.32	Very high
Average Mean	3.041	High

The results from the table indicate that respondents disagreed (mean 1.84) that BDSCS have enough staffs. This confirms lack of enough personnel presented by both BDSCs staffs and officials of the Ministry of Trade and Industry as challenge of Business development service centers.

Respondents strongly agreed that Business development service centers responded promptly to their business needs (mean 3.49). Asked if BDSCs consultants were knowledgeable on SMEs, respondents agreed on that (mean 3.25). Our respondents also agreed that BDSCs were offering a variety of solutions for their different problems (mean 3.15). In terms of communication skills, respondents strongly agreed that BDSCs staffs had good communication skills (mean 3.65). Our respondents also agreed that BDSCs were easy to work with (mean 3.18). This indicates that their interaction was good. Respondents agreed that they received from BDSCs the information they needed to run their businesses (mean 3.04). For the trainings they received, respondents agreed that they were of great importance for their business needs (mean 3.4).

When respondents asked whether they were supported from start up to finish of the setting up of the business, their response was disagree (mean 2.45). This indicates that there is no strong follow up of the BDSCs on SMEs improvements. This statement is also supported by the arguments of the officials of the Ministry who confirmed that there is no impact evaluation conducted apart reports they receive from the BDSCs. This also is supported by the suggestions of SMEs who suggested to be visited and to monitor their improvements.

Our respondents strongly agreed that they were ready to recommend BDSCs to other people (mean 3.32). This implies that SMEs trust in the services they receive from BDSCs.

Extent to which Business development service centres have helped development of small and medium enterprises

The fourth question of our study was "to what extent business development services have helped SME's development"? The research found five ways of help of BDSCs to SMEs development. The results are shown in table below.

Table 9: Help of SMEs businesses by Business development service centers.

	Mean	Interpretation
Increase in income	3.10	High
Employment creation	3.67	Very high
Business formalization	3.74	Very high
Skills improvement	3.16	High
Business growth	3.15	High
Average mean	3.36	

As indicated in table above, respondents strongly agreed that business development service centers have helped them to work as formal entities (mean 3.74).

In terms of employment creation, respondents strongly agreed that BDSCs are source of employment (mean 3.67).

In terms of income generation, respondents agreed (mean 3.10) that their income has increased because of help from BDSCs. For the skills improvement, our respondents agreed (mean 3.16) that their skills have improved because of trainings provided by BDSCs. Our respondents also

agreed (mean 3.15) that their businesses have grown because of the help from BDSCs.

Summary of responses from interview with policy makers in the Ministry of Trade and Industry.

The researcher conducted an interview schedule with officials of the Ministry in order to get their opinion on Business development services. The details of their responses are presented in annex.

In summary, the findings from the interviews show that the mandate of BDSCs is to support SMEs by providing business development services such as business registration, different trainings, networking, market information, linking SMEs to financial institutions and other potential sources of funds. The officials agreed that the performance of BDSCs was good considering new jobs created and a number of SMEs shifted from informal sector into formal business. However, poor funding system and lack of capacity were presented as problems affecting the delivery of business development services.

Challenges faced by Small and medium enterprises and Business development service centers

The fifth question of our research was "what challenges both SMEs and BDSCs are facing"? The results are shown in tables below

Table 10: Challenges faced by Small and medium enterprises (n=172)

	Challenges	Frequency	Percent
Valid	Lack of collateral	59	34.3
	High interest rate	33	19.2
	High taxes	37	21.5
	Business duplication	27	15.7
	Access to market	16	9.3

The most constraining challenge is access to finance caused by lack of collateral and high interest rate, the burden of taxes, lack of innovation was also clearly a constraint with many SMEs producing identical products or offering the same service. This indicates that new SMEs open up by imitating what they see as successful enterprises rather than identifying market niches for new products or services. The last challenge was access to market caused by poor infrastructure facilities.

The table below highlights the challenges faced by business development service centers.

Table 11: Challenges faced by Business development service centers (n=10)

	Challenges	Frequency	Percent
Valid	Lack of enough personnel	5	50.0
	Insufficiency of the budget	3	30.0
	Weak relationship with local administrative entities	2	20.0

The major challenges presented by the Business development service centers staffs are lack of human resources, insufficient of the budget and weak relationship with local administrative entities. Other challenges may include lack of transport facilities and the wideness of the District.

CHAPTER FIVE

SUMMARY OF THE MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

This chapter summarizes the findings of the study which helped the researcher to draw conclusion and recommendation based on the findings.

Summary of findings

Profile of the respondents

The study revealed that the majority of our respondents had the age above 41years old, and 85% of them were married.

In terms of qualification, of the respondents, 52.7% had achieved primary level, 37.5% had achieved secondary level, and 9.8% had achieved University level.

Considering the number of employees and the annual turnover of the SMEs, the results indicated that 87% of our sample was small enterprises.

Regarding the reasons given to start a business, the results revealed that 60.5% started their businesses because they wanted to be their own bosses, followed by those who started because there were market opportunities, and the last ones started their businesses because there were success of other similar businesses.

In terms of source of funds to start a business, it is indicated that the majority started their business with loans (55.9%). Other sources are savings over time of period (25.5%) and money borrowed from friends and family.

Activities of Small and medium enterprises supported by Business development services

The study revealed that, the biggest concentration of SMEs is engaged in agriculture and livestock activities and crafts, service, and agro-industry. The concentration of SMEs in agriculture and livestock is justified by the volcanic fertile soil of the region. While the concentration of SMEs in crafts and service activities is linked with tourism in Virunga national park which hosts mountain Gorillas attractive for many tourists potential to buy crafts products.

Business development services provided by Business development service centers to Small and medium enterprises

According to Harper (2005) and the International Labour office (ILO), Business development services are a wide variety of non-financial services and they include labour and management training; extension, consultancy, and counseling; marketing and information services; technology development and diffusion; and a mechanism to improve business linkages.

Business development services provided by business development service centers to small and medium enterprises include Business registration,

Entrepreneurship development skills, access to finance, Market information and Networking service. In Entrepreneurship development skills, BDSCs provide trainings on Business plan preparation, Business management skills, ICT and Internet, tax advisory, advice on investment opportunities. In access to finance service, BDSCs identify different sources of funds and they link them to the SMEs. Market information and networking service, BDSCs organize local exhibitions and trade fairs so that SMEs exhibit their activities.

It has been realized that business registration service, trainings on business plan preparation, trainings on business management skills and trainings on ICT and internet are the most business development services provided to Small and medium enterprises. The intention of Business development service centers is to enable the SMEs to sustain their activities. This resonates with views of Bennett (2008) who declared that the supply of Business development services consists in increasing the rate of business starts up; improving the survival or growth prospects of existing SMEs; and improving their general environment.

Capacity of Business development service centers to provide services to Small and medium enterprises.

The results revealed that Business development service centers were lacking enough staffs. However, the results indicated that BDSCs staffs had good communication skills and were knowledgeable on SMEs as agreed by the respondents. They responded promptly to the SMEs needs, they provided various solutions for different problems, they provided information needed, and they provided helpful trainings related to SMEs development as agreed by the respondents.

Help of Small and medium enterprises development by Business development service centers

According to Gibcus et al (2007), employment creation is a good measure of impact of business development services.

Our research revealed that Business development service centers have helped SMEs through employment creation, business formalization, increase of income, skills improvement and business growth. These results are supported by views of the officials in the Ministry of Trade and Industry. When asked on the performance of the BDSCs, the interviewee agreed that BDSCs have helped SMEs to operate as formal entities, to acquire skills related to their businesses at local level. They argued that BDSCs are not only the source of employment for the entrepreneurs, but also for those others employed by their SMEs.

The above statements resonate with views of (Sievers and Vandenberg, 2007) opining that entrepreneurs of the SMEs do not only create income

for their households and families, but they generate income and employment for their apprentices and workers leading to a bottom-up transition out of poverty for entrepreneurs and workers .

Challenges faced by Business development service centers

Lack of human resources, insufficient of the budget, lack of transportation facilities, weak relationship with local administrative entities and the wideness of the District were presented as the major challenges faced by Business development service centers.

Challenges faced by Small and medium enterprises

Access to finance caused by lack of collateral and high interest rate, burden of taxes, market access, and lack of innovation were presented as the major challenges to the SMEs development.

CONCLUSIONS

Based on findings, a number of conclusions were drawn.

- There is a developmental relationship between BDSCs and SMEs as they provide trainings aimed at skills improvement, they provide information needed, they are considered resourceful as they have solutions for various problems; and this indicate that the SMEs make more money as a result of empowerment by the BDSCs.
- Business development services centers have helped SMEs in Northern Province of Rwanda to develop and transform into

formal businesses, they have increased their income and improved their skills.

- The majority of SMEs are operating in agriculture and livestock, craft and service sectors of the economy;
- The motivating factors for starting up an SME are to be one's own boss, market opportunities and lessons learned from success of other similar businesses;
- Loans, savings and money borrowed from friends and family members are the sources of funds for the SMEs;
- Lacks of human resource, insufficient capital are the major challenges faced by BDSCs;
- Access to finance (lack of collateral and high interest rates), the burden of taxes, and lack of innovation are some of the factors that have hindered SMEs development.

Recommendations

- Given the findings that most of SMEs are concentrated in agriculture and livestock, service, crafts and agro-industry activities, more efforts should be put in these sectors. This will sustain SMEs activities and boost the economy of the country;
- Access to finance is a major challenge to the SMEs, hence, the Government should establish a new mechanism or harmonize access to finance through Business development Funds (BDF) and other guarantee funds available in some financial institutions because the existing one does not favor SMEs;
- Strengthening existing BDSCs by recruiting staff with adequate skills and qualifications;
- The BDSCs should be expanded at sector level for better access to;
- The Government should provide adequate funding to BDSCs to facilitate them perform their functions adequately;

SUGGESTIONS FOR FURTHER RESEARCH

Research should extensively be done on Business development service centers and their impact on SMEs in the whole country in order to come up with recommendations that can help in the drive to ensuring sustainable economic development.

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Annex1: Summary of focused interview with officials of the Ministry of Trade and Industry

Question	Responses
What is the mandate of Business development centers?	The mandate of BDSCs is to support SMEs by providing non financial services including: Trainings, market information, link them with different sources of funds, networking events, business registration. The aim is to grow their businesses.
Do they support SMEs only?	The target of BDSCs are start up SMEs and existing ones.
How do you see the performance of BDSCs?	The officials agreed that performance was good considering new businesses being registered and new jobs created. A good number of SMEs have shifted from informal sector into formal businesses.
Do BDSCs deliver successfully?	The officials agreed that there were problems that affecting services delivery. The poor funding system and lack of capacity affected the delivery of services by BDSCS.
Is impact measured?	The officials said there were no systems to monitor impact except the reports submitted.

APPENDIX I: TRANSIMITAL LETTER FOR THE RESPONDENTS

Dear respondent

I am a student of Kampala International University, School of Postgraduate Studies and Research. I am conducting an academic research entitled "Business development service centers and development of SMEs in the Northern Province of Rwanda". You have been indiscriminately selected to take part in the study and as a result kindly requested to provide a correct answer by using the instructions given.

The answers provided will only be used for academic purposes and will be treated with utmost confidentiality.

May I retrieve the questionnaires 3 days after you receive them?

Yours sincerely,

MUGISHA JUSTIN

Section I. Questionnaires about the profile of the Respondent

(Please tick the appropriate position)

1. Gender of the respondent

Male ☐

Female ☐

2. Marital Status of the respondent

Married ☐ Single ☐

widow(er) ☐

Divorced ☐

3. Level of education

University ☐ Secondary ☐

Primary ☐ None ☐

4. Age of the respondent

20-30 ☐ 31-40 ☐

41 and Above ☐

Questionnaire addressed to the BDSCs staffs

Key 1=strongly agree, 2=Agree, 3=disagree, 4=strongly disagree

Identifying business development services provided to the SMEs.

1. Are these business development services provided to the SMEs?

Business development services provided to SMEs	SA	A	D	SD
	1	2	3	4
1. Business registration				
2. Entrepreneurship development skills				
3. Access to finance				
4. Market information and Networking				

2. What challenges do you face while supporting SMEs?

3. What solutions do you recommend in order to better support SMEs?

Questionnaire addressed to SMEs owners/Managers

4. What are the activities of your Enterprise?

Agriculture and Livestock ☐

Service ☐

Craft ☐

Agro-industry ☐

5. What had motivated you to start your SME?

Objective of starting business	SA	A	D	SD
	1	2	3	4
To be own boss				
Market opportunities				
Success of other similar businesses				

6. How did you fund your SME?

Major source of money to start business with	SA	A	D	SD
	1	2	3	4
Savings over period of time				
Money borrowed from family and friends				
Loan from IMF				

7. How many employees do you have?

Less than 4

4 to 30

31 to 100

8. Approximately what is your annual turnover?

Less than Rwf 3000,000

Rwf 3000,000 to 12000,000

Rwf 12000,000 to 50,000,000

Identify types of BDS provided by BDSCs to SMEs

9. What kind of support do you get from BDSCs?

Support from BDSC	SA	A	D	SD
	1	2	3	4
Business registration				
Trainings on business plan preparation				
Trainings on business management skills				
Trainings on ICT and Internet				
Trainings on tax calculations				
Assistance to get funds for running business				
Market information				
Advice on investment opportunities				
Networking events				

Evaluate the capacity of BDSCS

10. How do you assess the capacity of BDSCs to provide services?

	SA	A	D	SD
	1	2	3	4
BDSCs have enough staffs to help me to improve productivity				
They respond promptly to our demands				
They are knowledgeable on SMEs				
They offer a variety of solution for different problems				
They have good communication skills				
BDSCs staffs are easy to work with				
I'm prepared to recommend BDSCs to other people				
They support me from start to finish in the setting up of my business				
They support me by giving the information I need				
They assist me with most of my business needs				

Assess extent to which BDSCs have helped SMEs development

11. How BDSCs have helped you to grow in your business?

Help of BDSCs	SA	A	D	SD
	1	2	3	4
Increase in income				
Employment creation				
Formalize my business				
Our skills have been improved because of help from BDSCs				
My business has grown because of help from BDSCs				

12. What challenges do you face?

13. What would you suggest for a better provision of Business development services?

**Interview guide addressed to the personnel of the Ministry
of trade and industry.**

1. What is the mandate of BDSCs?
2. Do they support SMEs only?
3. How do you see the performance of BDSCs vis a vis the development of the SMEs?
4. Do BDSCs deliver successfully?
5. Is impact measured?

APPENDIX 2

INTRODUCTORY LETTER

KAMPALA
INTERNATIONAL
UNIVERSITY

OFFICE OF THE ASSOCIATE DEAN, SOCIAL SCIENCE
SCHOOL OF POSTGRADUATE STUDIES AND RESEARCH (SPGSR)

11/11/2019

RE: REQUEST FOR MUGISHA JUSTIN MPP 318910201
TO CONDUCT RESEARCH IN YOUR ORGANIZATION

I am a registered postgraduate student of Kampala International University
School of Postgraduate Studies and Research

My current field research topic is titled "Business
Development Service Centers (BDSCs) and Development of Small and
Medium Enterprises (SMEs) in the Northern Province of Rwanda."

Your organization has been identified as a valuable source of information pertaining
to my research. The purpose of this letter is to request you to grant him access
to your facilities and data base.

Information shared with him from your organization shall be treated with utmost
confidentiality.

Any assistance rendered to him will be highly appreciated.

Yours truly,

Mugisha Justin

Mugisha Justin
Associate Dean Social Sciences (SPGSR)

Signature of the student

APPENDIX 3

APPOINTMENT LETTER

MUGISHA JUSTIN

Kibumba District

Rwanda

Phone: 0788854887/+256788730408

Dear Sir/Madam,

I am writing to you as a researcher

July 14, 2017

Re: Request for Data

I am

currently a student at Kampala International University pursuing a Masters of Project Management. I am currently conducting a field research of which the title is **Business development service Centers and development of Small and medium enterprises (SMES) in the Northern Province of Rwanda**.

I am writing to you now in order to collect relevant information related to my

Yours faithfully,

MUGISHA JUSTIN

APPENDIX 4

CURRICULUM VITAE

I. PERSONAL DETAILS

Mr. MUGISHA JUSTIN is a son of NYANDAGAZI JOSEPH and NYIRANKURI Alivera, single, born on 5th July 1981 at Rutshuru, Northern Kivu in Democratic Republic of Congo. He is Rwandan by Nationality. His address is: Kicukiro District, KIGAL-Rwanda, available on the following phone numbers: **+250788854887/ +250728854887**, E-mail address: **mugishajustin@yahoo.fr**

II. EDUCATION BACKGROUND

Period	Institution	Award	Course
From May 2010 to July 2010	Kampala International University/Uganda	Masters of Project Planning and Management (in progress)	Project Planning and Management
2003-2006	Kigali Independent University/Gisenyi (U.L.K)	Bachelor's degree	Rural development
2000-2002	Groupe Scolaire Rubengera	Secondary School Certificate	Teacher training
1997-1999	Groupe scolaire officiel de Butare	Ordinary level Certificate of Education	-
1990-1995	Busiya Primary School/DRC	Primary leaving Certificate	-

III. WORKING EXPERIENCE AND TRAININGS

a) Working Experience:

**From December 2007 up to May 2010: Economic development
Officer at Rwanda National Youth Council.**

Major tasks and responsibilities:

- ♦ *Planning,*
- ♦ *Budget preparation*
- ♦ *Setting up mid and long term strategic plan of the institution,*
- ♦ *Train youth associations,*
- ♦ *Conduct field visits by identifying youth associations to be supported,*
- ♦ *Monitor and evaluate program activities of the institution,*

b) Trainings and Seminars Attended

Period	Course	Organised by	Content
23-27 June 2008	Public Procurement Procedures	RPPA and RIAM	<ul style="list-style-type: none">• Types of tenders,• Procurement methods• Preparation of specifications,• Invitation to tender;• Rules concerning description of good; works, and consultant services,• Standard bidding documents,

13-14 November 2008	Public procurement reform	RPPA, ,COMESA, World Bank and Civil Society	<ul style="list-style-type: none"> • Integrity and transparency in Public Procurement, • Professionalisation of procurement function, • Integration of Public Procurement system, • Performance of procuring entities, • Reform of Public Procurement in Rwanda, • Collaboration between procurement staff and managers of procuring entities
11-15 October 2010	Research methods and consultancy	Kampala International University/Uganda	<ul style="list-style-type: none"> • Problem identification and clarification, • Formulation of hypothesis, • Setting of objectives, • Choosing appropriate research design, • Data collection, • Data analysis, • Preparation of research proposal, • Writing the scientific paper, • Examples of research planning, • How to review literature, and • Abstracting and Bibliographic citations

VII. CERTIFICATION

I hereby certify that to the best of my knowledge and belief, the above information is valid and correctly describes my qualifications, my experience and me.

