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## **MDP-IFAD INTERNSHIP REPORT**

# **ASSESSMENT OF IMPACT OF THE RURAL ENTERPRISES PROGRAMME (REP) SUPPORT SERVICES ON THE EMPOWERMENT OF LOCAL BUSINESS ASSOCIATIONS IN THE ASHANTI REGION OF GHANA**

**BY**

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## ABSTRACT

Local Business Associations (LBAs) contribute significantly to economic development. Despite their role and benefits in the local business environment, LBAs in Ghana face many challenges that need timely planned interventions to propel them on the path of sustainable growth and development. This study examined the support for rural micro and small-scale enterprises (MSEs) and partnership building by empowering the local business associations (LBAs) in Ghana. The research design for this study was a survey, quantitative and descriptive in nature. The study employed the use of questionnaires which were administered personally on selected days. Through an evaluation study approach, both primary and secondary data sources were gathered to assess the impact of the Rural Enterprises Programme (REP) support services on the empowerment of local business association in three (3) districts of the Ashanti Region in Ghana. The sample size for the study was four hundred and twenty-three (423) comprising of micro and small-scale entrepreneurs who are members of a local business association mainly within the Ashanti Mampong, Ashanti Akim Central and Ejisu-Juaben Municipalities of the Ashanti Region. In this study, purposive sampling technique and random sampling technique were used to select the sample. The districts are under the REP coverage implementation programme which were purposively selected for this study. The study employed descriptive and quantitative techniques in analyzing the data. Tables, frequencies etc. were used in describing and analyzing the data collected. Most of the LBAs studied were in their first five years of formation and operation. The research revealed that the main challenges facing the LBAs are weak internal governance structures of the associations, inadequate financial support, poor advocacy skills, inadequate access to the competitive market and limited group trainings. Another revelation of the research was that LBAs which received group training in capacity building, business advisory services, group formation and group strengthening were empowered through facilitation of their business registration, their association operations and activities. And, this led to better output. The contrary was however the case for those LBAs which were not provided with such capacity building and business support services. The Rural Enterprises Programme provides support services such as training to promote activities of the local business associations since the inception of the programme in Ghana. However, despite the tremendous effort by the Programme to promote and capacitate the local business associations in the region, there has been little or no study to examine the influence of the Programme support in the establishment of rural enterprises and creation of job opportunities. The influence of the Programme to the promotion and empowerment of local business associations was analyzed using descriptive statistics. The study findings identified some gaps which formed the basis for recommendations to address these gaps for more effective implementation of the Rural Enterprises Programme (REP) in Ghana, considering the fact that the Programme will phase out in 2022. The study thus recommends timely provision of improved capacity building services, easy access to open and integrated market as well as to low-interest rate credits with flexible terms of payment to LBAs to propel their sustainable growth. In addition, the Rural Enterprises Programme, government, donor agencies, research, agricultural and participating financial institutions should strengthen partnership to create strong and sustainable local business associations that will assist members to expand their businesses. The feedback and information systems of the Programme should be reinforced at the district level. Local business associations should be provided with continuous training, especially in group advocacy skills and

financial support services; existing and new policies should be enforced and amended to align with the creation of more local business associations in Ghana.

**Key Words:** *Rural Enterprises Programme, Support Services, Empowerment, Local Business Associations.*

### **CONTRIBUTION/ ORIGINALITY**

This study contributes to the literature on the growth of Local Business Associations (LBAs) in the developing country context with an analytical focus on Ghana. It is one of the few studies that have examined the potentials of and the distinctive problems to the sustainable growth of LBAs in Ghana.

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## CHAPTER ONE

### 1.0 INTRODUCTION

The government of Ghana (GoG) and other major stakeholder institutions have made great efforts as well as institutional policies to enhance the growth and capacity of Micro and Small-Scale Enterprises (MSEs) through the local business associations (LBAs). However, despite the efforts of government and other institutions to enhance the capacity of micro and small-scale enterprises (MSEs) through the LBAs, the subsector (MSEs) is still faced with enormous challenges and has not performed creditably well. For example, the LBAs have not sufficiently influenced apprentice training so as to accelerate employment and poverty alleviation in order to foster economic development of Ghana.

With the realization of the potentials of the MSEs, government, at different levels in Ghana has put up of support programmes to promote and sustain their development. It is believed that massive assistance financially, technically, marketing and managerial from the government are necessary for the MSEs to grow. Government over the years has stepped up efforts to promote the development of MSEs through increased incentive schemes including enhanced budgetary allocation for technical assistance programme (Moses *et. al.*, 2014). One of this support programmes is the Rural Enterprises Programme (REP). The REP aims at, among others, strengthening and grooming the LBAs' entrepreneurship skills development for MSEs in Ghana.

Local associations are an invaluable resource for small business owners—and if you don't belong to any, then you could very well be missing out on the resources, experience, advice, knowledge, and skills that entrepreneurs regularly share. Whether you have a specific business problem you need to solve or simply want to expand your network, joining one or several local small business associations can push you forward as an entrepreneur (Jared, 2016).

A business association provides its members with opportunities to network and share information and resources. While some businesses that belong to an association are likely to be competitors, they still share certain needs and preferences. In other cases, association members can help one another directly with referrals for services such as accounting, building maintenance, recruiting staff and marketing. Joining a business association provides a new business owner with contact information for other local businesses, speeding up the process of integrating into the community.

Business associations allow members to join forces politically. While most associations have no specific party affiliation or political agenda, the political issues that affect business owners are among their concerns. For example, a business association would likely be against a state sales tax increase, since such an increase would directly affect business by forcing customers to pay more. Business associations can contact legislators on behalf of their members and fund political campaigns to push forward legislation that favors commerce (Dennis, 2018).

The benefit of joining a local business association to improve the business environment is the leading drive for the formation and sustainability of local business associations. They also serve



to improve the living conditions of their members or to serve as a voice of a particular business activity. Most informal sector businesses in Ghana are organized by trade/ business associations. The term “informal sector” was coined in Ghana in 1971 by a British anthropologist who was studying the economic activities of low-income communities in Accra.

The informal economy, as it is now called and defined, is comprised of self-employment in small unregistered enterprises and wage employment in unregulated and unprotected jobs. In developing countries, informal employment comprises one half to three quarters of non-agricultural employment. In Sub-Saharan Africa, excluding South Africa, informal employment comprises nearly 80% of non-agricultural employment. In Ghana today, informal employment represents over 90% of total employment (WIEGO, 2018).

Local Business Associations play a key role in the rural economy of Ghana, improving the standard of living of members as well as providing business services and protection to business sustainability in the country. Apart from offering general business development services to their members, LBAs are also involved in the supervision and (non-formal) certification of traditional apprenticeships. The LBAs also perform a crucial function when it comes to improving the informal sector skills training.

There are several constraints that hinder local business associations in Ghana from reaching their full potential to improve the growth of the businesses of their members. Some of these barriers are the governance and leadership structure, management and funding of local business associations. So far, existing policies and actions to remove these constraints remain inadequate. An in-depth understanding to identify these constraints, how they affect the adoption of the REP support services by the LBAs as well as their impact on the empowerment of the LBAs is essential. Therefore, this report identified the impact of the REP support services and partnership building for rural enterprises by empowering their local trade or business associations and building their social capital.

## **1.1 BACKGROUND TO THE STUDY**

Ghana, a country in West Africa is situated on the coast of the Gulf of Guinea. Although relatively small in area and population, Ghana is one of the leading countries of Africa, partly because of its considerable natural wealth and partly because it was the first black African country south of the Sahara to achieve independence from colonial rule. With a population of 27.4 million in 2015, Ghana, located to the east of Côte d’Ivoire, has historically had one of the continent’s best-performing economies. Despite development of oil reserves, growth has slowed in recent years, to 3.6 per cent in 2016, according to the World Bank. After a successful transfer of power following elections in December, 2016 a new government is wrestling with a fiscal deficit.

However, social inequality and further reducing rural poverty remain the most pressing challenges. Mapping the incidence of poverty in the country shows that there is a high concentration of poverty in the Northern part of Ghana. Though incidence in the districts of the Southern parts is relatively low, there are however few districts with high incidence of poverty. Ghanaian agriculture is

dominated by traditional smallholder farms, which typically cover fewer than two hectares, and farmers, including women and girls, are often among the rural poor and food-insecure with few employment options available, many young men and women leave their villages for urban centers. This migration leads to an ageing and generally less dynamic population in rural areas, with high rates of youth unemployment, underemployment and social inequality. Domestic and regional demand for food crops is strong, and agribusinesses are interested in working with smallholders. But they want more formalized business relationships along the value chains (source: ifad.org.ng).

Governments at various levels (local, state and regional levels) have in one way or the other focused on the Local Trade or business Associations. Governments almost all over the world had formulated policies aimed at facilitating and empowering the growth, development and performance of the LBAs. Some of the governments' efforts relate to focus on assisting the LBAs to grow through institutional partnership, managerial training and other fiscal incentives through support from international agencies and organizations like International Fund for Agricultural Development (IFAD) and United Nations Industrial Development Organization (UNIDO). It has however been worrisome that despite the incentives, policies, programmes and support aimed at grooming and strengthening the capacity-building of LBAs, they have performed rather below expectation in Ghana. Different people, organizations, and operators have advanced various reasons as to why LBAs have not been able to live up to their expectations. While an average business association member would always hinge his failure on lack of access to finance, some others think otherwise arguing that inappropriate leadership and management skills, poor advocacy skills and policy dialogue, lack of group training skills and know how, poor infrastructure etc. are largely responsible. Some others have argued that the bane of LBAs in Ghana is the lack of long-term group loans since most loans in the Ghana market are short-term while what LBAs require to grow and become really successful is long-term patient capital. The key ones include inadequate infrastructural facilities (road, water, electricity etc), insecurity of lives and property, inconsistent monetary, fiscal and industrial policies, limited access to markets, multiple taxation and levies, lack of modern technology for processing and preserving products, policy reversals, capacity limitations, data inadequacies, and harsh operating environment. While some of the challenges that LBAs face are induced by the operating environment (government policies, globalization effects, financial institutions, local government policies, attitude to work etc), other challenges are driven by the inherent characteristics of the LBAs themselves (Adjei, 2012).

There are several programme interventions that promote the growth of local business associations in Ghana as well as strengthen the institutional capacity of the local business associations. The role and benefit of local business associations in the informal economy cannot be overemphasized as they enable business growth of association members and promote competitiveness in the business environment. Rural Enterprises Programme (REP) and some major development programme in Ghana has intervened by providing support services such as training support, facilitation of business registration, and financial support to enable the local business associations. Despite all the interventions of these government program in Ghana, the local business associations are still faced with some major challenges. One will assume that with several innovative government's program in Ghana, their influence on the promotion and strengthening of local business

associations for micro and small-scale enterprises will minimize these challenges effectively but otherwise, and it is with this issue why the researcher assessed the impact of the Rural Enterprises Programme (REP) on the empowerment of local business associations in Ghana.

### **1.1.1 DESCRIPTION OF THE RURAL ENTERPRISES PROGRAMME (REP)**

The Rural Enterprises Programme (REP) is a follow-up to two project phases that had been implemented in Ghana from 1995 to 2012. The Rural Enterprises Project Phase One which started in 1995, operated in 13 districts in the Ashanti and Brong Ahafo regions of Ghana. It ended successfully in 2002 and following the successes it achieved, it was decided to upscale it in the 2<sup>nd</sup> phase, generally known as Rural Enterprises Project Phase 2 to cover 66 districts across the country, including the 13 districts which were carried over from REP I. The Rural Enterprises Programme is therefore, an upscale of the Rural Enterprises Project phases one and two implemented in Ghana known as REP (III).

The REP implementation strategy is to promote a sustainable district-based model for Micro and Small Enterprise (MSE) promotion nationwide in 161 districts with identifiable public and private sector institutions. REP implementation covers the period from 2012 to 2022 with a target to achieve an outreach of 400,000 people with at least 50% being women.

REP is part of the Government of Ghana (GoG) efforts to reduce poverty and improve living conditions in the rural areas. The Ministry of Trade and Industry (MOTI) has responsibility as the Ghana Government Executing Agency for the Programme. The Programme phase is being jointly financed by the Government of Ghana, International Fund for Agricultural Development (IFAD) and African Development Bank (AfDB). The goal of REP is mainly to improve livelihoods and incomes of rural poor micro and small-scale entrepreneurs (MSEs) with specific objective to increase the number of rural MSEs in all the regions of Ghana that generate profit, growth and employment opportunities.

The Programme is made up of four (4) interrelated technical components namely; ***business development services, agricultural commodity infrastructural development component, Rural financial services component and the institutional capacity building and policy dialogue component.***

- i. Business Development Services (BDS) component aims at upgrading the technical and entrepreneurial skills of rural MSEs by providing access to business development services (BDS) at the district level through an institutional set-up introduced as BACs (Business Advisory Centres).
- ii. Technology Promotion and Dissemination (TPD) component aims at upgrading the level of technology of the rural micro and small enterprises (MSE) sector by facilitating promotion and dissemination of appropriate technologies in the form of skills training, manufacture of processing equipment, testing and promotion of prototypes.
- iii. The access to Rural Financial Services (RFS) component aims at enhancing the access of rural MSEs to rural finance through an establishment of the Rural Enterprises

- Development Fund (REDF) as a wholesale credit fund, in addition to a Matching Grant Fund (MGF).
- iv. The Institutional Development component supports rural MSE organizations and partnership by empowering local business associations (LBAs) and building their social capital. Following the Mid-Term Review on the Rural Enterprises Programme (REP).
  - v. Another subcomponent has been introduced into the programme which is “Empowering Novel Agribusiness-Led Employment for Youth (ENABLE Youth) aimed at supporting graduate young people willing to engage in Agri-entrepreneurship. The REP pays particular attention to activities aimed at promoting agribusiness with emphasis on six (6) main sectors including; non-farm forest-based businesses, agro-processing, pre and post- harvest activities, agro-industrial, traditional craft, primary fabrication and repair enterprises.

The target groups of REP include; the entrepreneurial poor including both existing and potential MSEs, particularly women and the vulnerable including the youth. The REP also targets institutional partners from both the public and the private sectors. The final target group of REP which is the subject matter in this study is the Local Business Associations (LBAs) and their umbrella organizations that will be able to convert the capacity building support from the programme into productive assets with or without barest additional investment support. The REP supports the formation and strengthening of local business associations through training and facilitation of meetings. The provision of training by REP to the entrepreneurial poor is an essential part of its support to agribusiness.

Support services provided to rural MSEs through the LBAs include training in advocacy skills, facilitation of business registration, local policy promulgation towards MSE development and amongst others. The grooming and strengthening of local business associations is through the business development service (BDS) component of the Rural Enterprises Programme (REP) to deliver training to facilitate the formation and growth of local business associations (LBAs) as a sustainable channel for growing the businesses of members This Rural Enterprises Programme covered all the Districts and Municipalities in Ghana with the exception of Metropolitan areas and work towards a sustained development and growth of Micro and Small Scale Enterprises in the Country.

#### ***1.1.1.1 REP Business Advisory Centres (BAC)***

At the district or the operational level, the Programme, through a tripartite partnership arrangement with the National Board for Small Scale Industries (NBSSI) and the participating District Assemblies (DAs), has established Business Advisory Centres (BACs) to serve as the main implementation mechanism through which the interventions of Business Development Services component are being implemented. The Rural Enterprises Programme implementation seek out to transform the Business Advisory Centers into the Business Resource Centers (BRCs) by 2018. The transformation would enhance decentralization and boost rural business development. The

BRCs will become a one-stop shop to provide consolidated business support services to small, medium and large enterprises in the country (REP Report, 2017).

#### ***1.1.1.2. Rural Technology Facilities (RTFs)***

The Programme has also established Rural Technology Facilities (RTFs) which are engineering workshops at strategic locations in some districts to spearhead the technology upgrading of the rural MSE sector by providing support to master crafts persons and apprentice training system. To achieve its goal of contributing to the alleviation of poverty in the rural areas, and also achieve its immediate objective of building competitive micro and small-scale enterprises, the Rural Enterprises Programme has various forms of promotional packages. These include: identification of existing and potential business opportunities through the conduct of Business Opportunities Identification Studies (BOIS); technologies and skills upgrading; support for entrepreneurial and managerial development; provision of basic tools and equipment to graduate apprentices; provision of marketing support; and provision of micro credit (Afriyie, 2011).

#### ***1.1.1.3 Project Management***

The Ministry of Trade and Industry (MOTI) has overall responsibility for the Programme as the Ghana Government Executing Agency. The Programme phase is being financed by the Government of Ghana, International fund for Agricultural Development (IFAD) and African Development Bank (AfDB). According to the Rural Enterprises report (2017), the Ministry of Trade and Industry has inaugurated an inter-agency Steering Committee on rural enterprises development in the country, as part of the Government's agenda for industrial transformation. The prime responsibility of the National Steering Committee is to provide technical and policy direction towards the implementation of the Rural Enterprises Programme, under the Ministry of Trade and Industry. The National Steering Committees (NSCs) includes members from the Ministry of Finance; Ministry of Food and Agriculture; Ministry of Local Government and Development; Ministry of Gender, Children and Social Protection; and Ministry of Employment and Labour Relations. Other members of the National Steering Committees are the National Development Planning Commission; Bank of Ghana; ARB Apex Bank representing the Rural and Community Banks; Association of Ghana Industries (AGI); National Board for Small Scale Industries (NBSSI); and Ghana Regional Appropriate Technology Industrial Service (GRATIS) Foundation. There will be two representatives from the 161 Municipal and District Assemblies participating in the Rural Enterprises Programme. The National Steering Committee have been set up in each participating district to assist in operational matters, such as co-ordination of planning, implementation of project activities and resolution of conflicts (REP Report, 2017).

In order to ensure that Rural Enterprises Programme maximizes reach, number of clients, and success rate for adoption and business growth, as well as impact on rural poverty, the Rural Enterprises Programme through the Business Advisory Centers and Rural Technology Facilities provide the following services:

1. Community Based Training in the following –

- Farm-based businesses such as fish farming; bee keeping/honey production; guinea fowl, rabbit, livestock, poultry, snail and grasscutter rearing;

- Agro-processing in cassava; oil palm; groundnut; grains (maize, soybean and rice); fruit; shea nut; fish; cashew; meat etc.
  - Agro-industrial businesses such as soap and detergents production; salt iodization; baking and confectionery; catering etc.
  - Traditional craft such as batik tie & dye; kente; leatherworks; ceramics; smock weaving; beads making, basket weaving etc.
  - Pre and post-harvest businesses such as agro-chemicals, carpentry, tractor services, milling and shelling services etc.
2. Business Management Training including entrepreneurship, small business management, credit and financial management, records book keeping etc
  3. Business Counselling and Follow-up services
  4. Marketing Training and Linkages
  5. Participation in tradeshows and exhibition
  6. Functional Literacy Training
  7. Technical and Traditional Apprentices Training
  8. Mastercraft Person Training
  9. National Vocational Training Institute (NVTI) Certification
  10. Occupational Safety Health and Environment Training (OSHEM)
  11. Equipment prototyping and demonstration
  12. Regulatory Requirement Training and Support including business registration with Registrar General's Department and product certification with Ghana Standards Authority and Food and Drugs Authority.
  13. Local Business Associations formations and strengthening
  14. Training of Local Business Associations (REP field survey, 2018).

## **1.2 PROBLEM STATEMENT**

A Local business association provides its members with opportunities to network and share information and resources. While some businesses that belong to an association are likely to be competitors, they still share certain needs and preferences. In other cases, association members can help one another directly with referrals for services such as training, marketing, credit and sources of raw material and technology. Joining a local business association provides a new business owner with contact information for other local businesses, speeding up the process of integrating into the business community.

At the national, regional and local level, there are several benefits in joining a business association in most developed and developing countries. Participation in a local business association may also serve as a social expectation in a community where small business owners relate with one another through work and outside the business settings thereby building a strong social connection. Most business associations are formed to promote specific income generating activities and businesses such as farmers, traders, processors and artisans, thereby improving the standard of living of the business owners.

However, despite all these perceived benefits, most local business associations still face several challenges that hinder their growth especially in the rural communities. The interests of business operators in groups are likely to be swamped in association governance. In general, there are limits to development services through business associations, although there is a strong variation between businesses by sector, location and size. The contributions by associations through specific services to individual business owners appear to be relatively limited. The chief contribution of associations to competitiveness of their members' businesses appears to be their improvement of collective industry standards for example, through decision making, policies and conflict management.

Therefore, the REP provides interventions for the promotion of activities of LBAs. The Business Advisory Centres (BAC) in the rural districts, which are the main delivery mechanism for the REP interventions have provided a lot of interventions such as training and business counselling to capacitate and empower the LBAs since the inception of the programme in the rural districts of the Ashanti Region. Going by the project implementation arrangement of operating in each beneficiary district for eight years, the districts are due to be weaned off direct support services by 2022.

Notwithstanding the tremendous efforts by the REP to contribute to the success of the LBAs in the rural districts of the Ashanti Region, there has not been any study to examine the effectiveness or otherwise of the services being provided by the REP in support of these LBAs. Therefore, this study identified the gaps in the implementation of the REP from the perspective of LBA promotion and came out with recommendations to address those gaps for effective implementation of the Programme in the districts, considering the fact that the Programme is phasing out in 2022.

### **1.3 AIM AND OBJECTIVES OF THE STUDY**

The main aim of this study was to assess the effectiveness or otherwise of REP interventions in increasing the competitiveness of local business associations.

The specific objective is to:

1. Assess the effectiveness of the REP support services for the LBAs in the rural districts.
2. Assess the impact of the REP intervention on empowerment of LBAS in the rural districts.
3. Identify the perceived challenges faced by the LBAs to support their members' businesses in the rural districts.
4. Proffer recommendations that could contribute to more innovative and better services to support the LBAs in future.

### 1.3.1 ANALYSIS OF OBJECTIVES OF THE STUDY

The analysis of the objectives of the study is shown in the table below:

**Table 1: Analysis of objectives**

S/n	Objectives	Data Required	Analytical Techniques	Data Collection
1.	To assess the effectiveness of the REP support services for the LBAs in the rural districts.	<p><b>Primary data:</b> Performance indicators:</p> <ol style="list-style-type: none"> <li>1. Socio-demographic characteristics of the respondents.</li> <li>2. Level of awareness of the programme support services for the association membership</li> <li>3. Level of knowledge and awareness of market opportunity by the target groups that drive productivity</li> <li>4. Access to business inputs, technology, finance and market</li> <li>3. Business outputs</li> <li>4. Business Advisory Centers (BAC)/ social targeting</li> <li>5. Post-training/ pre-training supports</li> <li>6. Business counselling/ business records keeping</li> </ol>	Quantitative and Qualitative data analysis	Questionnaires, Key Informant Interviews (KIIs), Focus Group Discussions (FGDs), Observations, In-depth Interviews (IDIs), recent data publications, websites, articles, journals.
2.	To assess the impact of the REP intervention on empowerment of LBAS in the districts	<p><b>Primary data:</b> Performance indicators</p> <ol style="list-style-type: none"> <li>1. Level of capacity building, training/responsiveness, Market Focus.</li> <li>2. Involvement and contribution of the PPP (Public Private Partnership)</li> <li>3. Benefits to the rural MSEs operators</li> <li>4. Joint problem solving/risk sharing among the LBAs</li> <li>5. Level of Income and productivity in business</li> <li>6. Decision- making (as group, individual)</li> <li>7. Leadership and governance structure of the LBAs</li> <li>8. Gender inclusion: women participation and empowerment</li> </ol>	Random Survey Techniques	



		<p>9. Social inclusion: youths, men, women, disabled group, access to social supports</p> <p>10. Local business associations, Social support partners (institutional groups)</p> <p>11. Policy aspect (codes of conducts, rules and regulations, restrictions, laws)</p>		
3.	To identify the perceived challenges faced by the LBAs to support their members' businesses in the rural districts.	<p><b>Primary and Secondary data:</b></p> <p>1. Business Challenges</p> <p>2. Local business associations challenges</p> <p>4. Mitigation measures taken</p> <p>5. Follow-up/ sustainability of the LBAs through the REP support services</p>	Qualitative analysis	
4.	To Proffer sustainable recommendations that will contribute to more innovative and better services to support the LBAs in future.	<p>1. Mitigation measures taken</p> <p>2. Follow-up/ sustainability of the LBAs through the REP support services</p> <p>3. Business plans and ambitions of the rural MSEs operators</p>		

#### 1.4 RESEARCH QUESTIONS

The study was guided by the following questions:

1. How effective are the REP support services for the LBAs in the rural districts?
2. What are the impacts of the REP intervention to empowerment of the LBAS in the rural districts?
3. What are the perceived challenges faced by the LBAs to support their members' MSEs in the rural districts?
4. Which sustainable recommendations would contribute to more innovative and better services to support the LBAs in future?

#### 1.5 SIGNIFICANCE OF THE STUDY

The result of grooming and strengthening the local business associations for micro and small enterprises (MSEs) is an improvement in the business climate. The study provides additional information to the existing ones on promotion of local business associations for MSEs. There is a big gap in knowledge on impact assessment of the support for rural enterprises on strengthening the local business associations especially through the Rural Enterprises Programme (REP) support services for creation of more rural enterprises in Ghana. In developing countries, especially, Africa

the findings from this study could contribute to enable the public and private institutions to develop further innovative implementation strategy to create sustainable LBAs to boost the informal sector economy.

The researcher is therefore, optimistic that the findings of this study will be of some benefit to the Rural Enterprises Programme implementation strategy, the Government of Ghana, key stakeholders and other supporting institutions for rural enterprises. Strong social connections in associations promote strong leadership structure, financial inclusion as well as social inclusion of business owners. This reinforces the human capital as there is expansion of employment opportunities through creation of more local business associations.

The study will also promote the awareness of business owners on the benefits of joining a local business association. The Government of Ghana and other key stakeholders may be able to gain some insight on how to create more local business associations, enforce existing and new policies that will enable business owners to join an association in the study area. Finally, to researchers, it is hoped that this study will provide a basis for future related studies.

## **1.6 RESEARCH SCOPE AND LIMITATION OF THE STUDY**

The study covered three (3) districts selected from all twenty-seven (27) districts of the Ashanti Region of Ghana. The districts were selected on a geographical basis to represent the three main implementation phases of the Rural Enterprises Programme (REP). The districts are;

- Ashanti Mampong Municipal Assembly which is one of the trajectory districts of the REP phase I
- Ashanti Central Akim Municipal Assembly which is one of the trajectory districts of REP phase II
- Ejisu-Juaben Municipal Assembly which is one of the trajectory districts of the new REP phase III

These Municipalities were chosen to represent those with levels of the development of LBAs. For purpose of comparison, this was a more convenient approach. Data was collected from only three (3) districts out of twenty-seven (27) districts targeted by the Rural Enterprises Programme were carefully and purposively selected for the scope of this study. Meanwhile, the other districts do not form part of the study based on limited time and financial constraints.

Some MSE operators were skeptical in providing information on their operations either because they might not be in good standing as regard the payment of taxes or just unwilling to provide the information with the excuse that they have responded to a lot of such questionnaire in the past. Finally, Due to the fact that this study had been an ignored area of research with the scarcity of publications on the effects of enterprise development programmes, the researcher relied mostly on the few literatures both published and unpublished to review the secondary data. Despite these limitations to the study, it was carried out diligently to make it representative and useful for the purpose for which it was conducted in order to add or improve upon the knowledge base in this research area.

### 1.6.1 DELIMITATION OF THE STUDY

There are various types of associations in Ghana such as social associations, religious associations, business associations and gender-related associations. However, this study was delimited to only MSE operators that are members of a local business association.

### 1.7 DEFINITION OF CONCEPTS

**Assessment:** - A process of gathering information, analyzing it, then making a judgement on the basis of the information.

**Association:** - An association is a group of people organized for a particular purpose. It is an organized group.

**Beneficiaries:** - The individuals, groups or organizations who, in their own views and whether targeted or not, benefit directly or indirectly from the development intervention.

**Capacity:** - The ability of individuals, businesses and organizations to perform functions effectively.

**Capacity-building:** - The process through which capacity is created.

**Community:** - A group of people living in the same locality and sharing some common characteristics.

**Completion:** - The final phase in the project cycle, when a project completion report is produced.

**Effect:** - Intended or unintended change resulting indirectly or directly from a project intervention

**Effectiveness:** - A measure of the extent to which a development intervention has attained or is expected to attain its relevant objectives efficiently and in a sustainable way.

**Efficiency:** - A measure of how economically inputs are converted into outputs.

**Empowerment:** - The capacity of individuals, groups and/or communities to take control of their circumstances, exercise power and achieve their own goals, and the process by which, individually and collectively, they are able to help themselves and others to maximize the quality of their lives.

**Goal:** - The higher-order programme or sector objective to which a development intervention such as a project, is intended to contribute. It is thus, a statement of intent.

**Grooming:** -In the business world, this means the act of training or educating business members to make their businesses grow.

**Impact:** - The changes in the lives of rural people, as perceived by them and their partners at the time of evaluation.

**Input:** - The financial, human and material resources necessary to produce the intended outputs of a project.

**Intervention:** - An intervention is something that comes between two things or something that changes the course of something.

**Key Stakeholders:** - The main intended beneficiaries of a project

**Local Business Association (LBA):** - It is a group of people with the aim of coming together and working together for the growth of their businesses in a community

**Leadership:** -the action of leading a group of people or an organization, or the ability to do this.

**Monitoring:** - The regular collection and analysis of information to assist timely decision-making, ensure accountability and provide the basis for evaluation and learning.

**Networking:** - Creating a group of acquaintances and associates and keeping it active through regular communication for mutual benefit.

**Objective:** - A specific statement detailing the desired accomplishments or outcomes of a project at different levels.

**Outcome:** - The results achieved at the level of ‘purpose’ in the objective hierarchy.

**Outputs:** - The tangible, immediate and intended results to be produced through sound management of the agreed inputs.

**Project** - An intervention that consists of a set of planned, interrelated activities designed to achieve defined objectives within a given budget and a specified period of time.

**Project impacts-** The changes in a situation that arise from the combined effects of project activities.

**Project Management-** The process of leading, planning, organizing, staffing, and controlling activities, people and other resources in order to achieve particular objectives.

**Project performance-** The overall quality of a project in terms of its impact, value to beneficiaries, implementation effectiveness and efficiency and sustainability.

**Project strategy-** An overall framework of what a project will achieve and how it will be implemented.

**Support:** -To provide for an institution or establishment by supplying with things necessary to existence.

**Services:** -An act of helpful activity.

**Steward:** -a person whose job it is to organize a particular event, or to provide services to particular people, or to take care of a particular place

**Reinforces:** -is the process of strengthening by additional assistance.

**Target group** - A specific group for whose benefit a project is undertaken.

## **1.8 ORGANIZATION OF THE STUDY**

This study is classified into chapters, with the chapters being organized as below:

**Chapter one**– focused on the introductory aspects of the research topic, it gave a general introduction to the research. This chapter is made up of the following; General introduction; background to the study; statement of problem; aim and objective(s) of the study; significance of the study; scope of the study and the limitations of the study.

**Chapter Two** – Literature Review, this chapter reviews the related literature on the topics; the concept, role and classification of local business associations; characterization and development of local business associations; the contribution of Local business associations to development objectives; problems facing the local business associations; the role of supporting institutions for the promotion of local business associations in Ghana; growth constraints of local business associations in Ghana. The researcher considered literatures from articles, journals, books, newspapers and other relevant documents.

**Chapter Three** – Methodology, this chapter deals with methodology of the research. The chapter comprises the data sources, primary and or secondary, techniques of sampling used etc.

**Chapter Four** – looks at the analysis of data and the explanation of the data collected. This includes data processing, data presentation, and description etc. to bring about understanding of the data processed. The interpretation was made in line with the objectives of the study.

**Chapter Five** – this chapter constitutes the final chapter of the study. It is about the summary of the findings, giving conclusion and finally the recommendations made with regards to the findings.

### 1.9 TIMEFRAME OF THE SURVEY

The survey was conducted within three months which is the period of the researcher’s internship program.

**Table 2: Time Line for the Survey**

S/n	Date	Activity
1.	1 <sup>st</sup> – 9 <sup>th</sup> March, 2018	<ol style="list-style-type: none"> <li>1. Placement of field site (IFAD-REP) in Ghana</li> <li>2. Formulation and submission of research proposal and work plan</li> </ol>
2.	12 <sup>th</sup> – 16 <sup>th</sup> March, 2018	<ol style="list-style-type: none"> <li>1. Formulation of research survey tools and action plan</li> <li>2. Submission of the research survey tools for a review</li> </ol>
3.	19 <sup>th</sup> – 23 <sup>rd</sup> March, 2018	<ol style="list-style-type: none"> <li>3. Travel and Arrival at Host Organization</li> <li>4. Meeting with the REP placement team</li> <li>5. Review of Literature</li> </ol>
4.	26 <sup>th</sup> – 30 <sup>th</sup> March, 2018	<ol style="list-style-type: none"> <li>1. Further review of survey tools</li> <li>2. Preliminary presentation</li> </ol>
5.	2 <sup>nd</sup> – 13 <sup>th</sup> April, 2018	<ol style="list-style-type: none"> <li>1. Meeting with the BAC and RTFs placement team</li> <li>2. Testing of questionnaire</li> </ol>
6.	16 <sup>th</sup> – 20 <sup>th</sup> April, 2018	<ol style="list-style-type: none"> <li>1. Administration of questionnaire at Asante Akim Central District Assembly</li> <li>2. Focus group discussion</li> <li>3. Key informant interview with BAC heads, association leaders and business development officers</li> </ol>
7.	23 <sup>rd</sup> – 27 <sup>th</sup> April, 2018	<ol style="list-style-type: none"> <li>1. Administration of questionnaire at Ashanti Mampong District Assembly</li> <li>2. Focus group discussion</li> <li>3. Key informant interview with BAC heads, association leaders and business development officers</li> </ol>
8.	30 <sup>th</sup> – 6 <sup>th</sup> May, 2018	<ol style="list-style-type: none"> <li>1. Administration of questionnaire at Ejisu-Juaben District Assembly</li> <li>2. Focus group discussion</li> <li>3. Key informant interview with BAC heads, association leaders and business development officers</li> <li>4. Volunteer experience with the Ghana National Health Service (GNHS)</li> </ol>
9.	7 <sup>th</sup> – 10 <sup>th</sup> May, 2018	<ol style="list-style-type: none"> <li>1. Coding and Data Entry</li> <li>2. Analysis and Report Writing</li> <li>3. Presentation of preliminary report</li> </ol>
10.	11 <sup>th</sup> May, 2018	Sensitization and awareness about the sustainable development goals (SDGs) at KNUST (Kwame Nkrumah University of Science and Technology, Kumasi, Ghana)
11.	12 <sup>th</sup> May, 2018	Trip back to Nigeria

## CHAPTER TWO

### 2.0 THEORITICAL FRAMEWORK AND LITERATURE REVIEW

#### 2.1 THEORITICAL FRAMEWORK

##### 2.1.1 Introduction

This chapter reviews the literature related to the subject of promotion of local business associations. The review focuses on the following: the concept of local business associations; the role of local business associations; characterization and development of local business associations; the contribution of Local business associations to development objectives; classification of local business associations; problems facing the local business associations; the role of supporting institutions for the promotion of local business associations in Ghana; growth constraints of local business associations in Ghana.

##### 2.1.2 The Concept of Local Business Associations

The term local business associations are given different explanations and meanings within both the global and local contexts. In the global context, business association is explained as business networking which is a socioeconomic business activity by which business people and entrepreneurs meet to form business relationships and to recognize, create, or act upon business opportunities, share information and seek potential partners for ventures. In the second half of the twentieth century, the concept of networking was promoted to help business people to build their social capital (DeBaise, 2018). A business network is a type of business social network which is developed to help business people connect with other managers and entrepreneurs to further each other's business interests by forming mutually beneficial business relationships. Business networking is also defined as a way of leveraging your business and personal connections to help bring you regular supply of new business (Misner, 2018). In most developing countries, local business associations are sometimes referred to as local trade associations (LTAs) or small business associations (SBAs) in the local business environment settings.

##### 2.1.3 The Role of Local Business Associations

Local Trade Associations play very important role both at the individual and the association level. Based on the experience of the researcher with the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP), the overarching developmental roles of trade associations include the following:

- **Professional development role** (developing the individual)—In this case, this role refers to training and building the capacity of development bankers for them to be able to identify national priority and strategic projects, evaluate them adequately and ultimately provide funding. Their association, through a separate training business unit, designs and delivers professional learning courses, including a certification or credentialing program to professionalize the industry. Developing the human capital is, thus, an important part of their role as an association.
- **Business development role** (developing the institution)—After the individual, the next level of the development role is the institution. While an institution is made up of individuals, it is equally important to develop the organization cohesively through knowledge and best practice sharing and

advisory services. This institutional capacity building is done under a separate consulting and advisory business unit. Developing the institution results to enhancing its sustainability and contributes to increasing its financial capital, thus, its organizational continuity.

- **Sustainable development role** (developing the nation)—As an association of development finance institutions, the main work and advocacy centers on the four pillars of sustainable development, i.e., economic, social, environmental and governance. In terms of economic, the association's thrust is developing and financing micro, small and medium enterprises deemed to be the backbone of the economy. For the social aspect, the focus is on financial inclusion, including microfinance. On environment, the concentration is on the promotion of green-banking initiatives, while on governance, the centerpiece is both on advocating for good corporate and public governance policies and practices in development banks.

All these efforts are lodged in the responsible citizenship unit that provides information, capacity-building and best-of-industry practice exchange. With these three key developmental roles, local trade or business associations can make a difference in society by developing the individual, the institution, and the country through capacity-building, partnerships and advocacy initiatives. A small business association in a particular context may operate as an industrial sector association, professional grouping, artisanal cluster, or even as a dimension of an NGO or community-based organization within a cultural or religious framework (Tim Dyce, 2006).

Local business associations can be important mechanisms for stimulating inter-firm cooperation leading to economic growth and development. However, previous research suggests that the unfulfilled expectations of their members can lead to low participation, high membership churn and network instability over time (Robert et. al., 2015).

#### **2.1.4 Classification of Local Business Association in Ghana**

The LBAs are classified in Ghana and in particular, by the Rural Enterprises Programme according to their stages of growth, as has been done for the individual businesses or the individual MSEs. Among other things, this classification will help to design and implement the right interventions that will support the growth and development of the LBAs from one stage to another. The LBAs are classified under three main headings namely; formative stage, mature stage and growth stage. Each stage of classification with the associated characteristics are described in the table below:

**Table 3: Showing the classification and characteristics of an association**

STAGE	CHARACTERISTICS
Formative	<ul style="list-style-type: none"> <li>• Have a vision and mission</li> <li>• Have a constitution or by-laws</li> <li>• Have executive members</li> <li>• Should be organizing and attending regular meetings</li> <li>• Should be keeping proper records</li> </ul>
Mature	<ul style="list-style-type: none"> <li>• Should have registered with relevant authorities</li> <li>• Should be networking with other associations and institutions</li> <li>• Should be able to enhance access to members to business support services</li> </ul>
Growth	<ul style="list-style-type: none"> <li>• Should have increased membership by at least 10%</li> <li>• Should be able to assess business growth needs of members</li> <li>• Should be providing business support services to members</li> <li>• Be in a position to lobby and advocate on issues that affect MSE development</li> <li>• Should have an affiliation with umbrella associations</li> </ul>

(Source: Field survey, 2018).

### 2.1.5 Characterization and Development of Local Business Associations

Business associations have been described as powerful tools for fostering inter-firm co-operation and, as a result, economic development (Besser and Miller, 2010). They come in many shapes and sizes. Some are sector/profession specific, others are more cross cutting in focus, and they range from formal chambers of commerce to informal business clubs. While some nationally organized business associations exist (such as Association of Ghana Industries), most operate on a far smaller geographical scale and are locally oriented (Bennett and Ramsden, 2007). These Local Business Associations (LBAs) may provide a range of collective and individual benefits to members, facilitating business growth and strengthening social relationships between participants (Bennett and Ramsden, 2007).

Previous research considers in detail the process of network formation (Lockett et al., 2013), the potential facilitating role of external actors or brokers (Huggins, 2000), the determinants of network success (Newbery et al., 2013), and network governance (Davies and Spicer, 2015) and evolution (Jack et al., 2008). The literature demonstrates that there are a range of motivations for joining small business networks (Lawton Smith and Romeo, 2013; Lockett et al., 2013). However, while attention has been paid to how benefits are provided (supply side), little consideration has been given to understanding the nature of, and reasons for variation in, the benefits sought by members. Such an understanding is critical if LBAs are to meet the demands of new and established members and, in so doing, survive and flourish. This is particularly important for LBAs as they often experience low levels of participation and high membership churn, with many networks suffering from instability over time (Phillipson et al., 2006). Evidence to date suggests



that the expectations of members of LBAs often go unfulfilled, leading to them either becoming non-active or leaving the association altogether (Bennett, 2011; Laschewski et al., 2002).

Some modern scholars assert that individual entrepreneurs may join LBAs with the intention to access certain benefits. In keeping with thick models of rational choice these benefits may be pecuniary or non-pecuniary, public or private, and selective or collective in nature, and are thus potentially manifold. They include access to new, or enhanced cooperation with existing, customers, boosting sales and profits. Other members of the association may be seen as future clients, sources of information about potential customers (Phillipson et al., 2006). Others also contend that associations can offer access to promotional channels, for example, through collective marketing via web or print directories (Reilly and Szabo, 2005). Knowledge acquisition and creation can also be vital (Van Cauwenberge et al., 2013). Membership may improve an owner-manager's awareness and understanding across business functions, for example relating to recruitment of personnel (Lowik et al., 2012). Lobbying and representation can occur where associations may act as a vehicle for engagement with local councils or public bodies (Bennett, 2011). Finally, associations may provide and maintain public goods, the benefits of which are available to non-members. Examples include improvements to the local physical environment, provision of car parks, the preservation of historic and public assets, crime prevention, and the attraction of funding for local initiatives (Reilly and Szabo, 2005).

The paper for "Donor Committee for Enterprise Conference" argues that Local Business Associations (LBAs) can play the part of useful partners in improving the business environment by:

- representing to the relevant authorities the obstacles that their member enterprises face and, on their own or with the assistance of other institutions, advocating for appropriate policy, regulatory or infrastructure improvement
- disseminating information and channeling feedback about policy and regulation to their SME members and providing a potentially supportive constituency for the successful implementation of policy and regulation
- encouraging unorganized enterprises into the organized sector by insisting on registration as a condition of SBA membership, but also voicing demand for improvements in public services as the quid pro quo for registration
- representing entrepreneurs who have political deficits based on gender, disability, remote location or other socially disadvantaged sub group identity
- initiating industry standards or resolving industry conflicts internally and so strengthening the private sector without need for government intervention

### **2.1.6 The Contribution of Local Business Associations to Development Objectives**

Most countries, institutions, as well as projects and programmes are developing a number of interventions towards the development of Local business associations as the contribution they make towards the development objectives of the communities where they are found in particular and the country at large. Supporting business associations in developing countries to influence public policy is increasingly seen by development partners as an important contributor to

improving the business enabling environment and, as a consequence, to improving the vibrancy of the private sector leading, in turn, to more job creation and greater poverty alleviation. This approach requires that business associations are supported to build their capacity and engage in dialogue and advocacy. Initiatives to do this are being funded, inter alia, in Kenya, Tanzania and Ghana. Evaluation of these programmes requires that there is a means of assessing both whether business association competence has improved and whether higher levels of competence are associated with business association ability to influence policy (Darwin and Jacaranda, 2015).

According to World Bank (2005), there has been some ambivalence by donors towards supporting the capacity building of LBAs because of past bad experience and because of theoretical concerns either about special interest groups being fundamentally inimical to overall private sector development goals, or about the relevance to SMEs in developing countries of a Western member-based and large enterprise-oriented model of business solidarity. Fuller evaluation of LBAs is made more difficult because of a lack of disaggregated data in the literature on Business Membership Organizations (BMOs) which by definition includes – and is often focused on -- the larger organizations such as Chambers of Commerce and Industry, and Employers Organizations.

However, while the widespread inadequacy of many Associations is acknowledged, sufficient examples exist of effective LBA partnerships with the relevant authorities to show their role as vital in strengthening the private sector. It is argued that the more effective their advocacy work, the more effectively also they can work with authorities to improve the enabling environment for businesses. Donor and technical agencies have identified a greater number of success factors both internal to the Business Membership Organization (BMO) itself and within their cultural, political and economic environment. These factors can help determine the choice of larger BMOs as development partners in their own right and in giving support to LBAs.

The private sector in many developing countries exhibits a dual structure – a few large, modern, capital- as well as import-intensive enterprises on one end of the spectrum and a majority of micro and small enterprises serving local markets with simple and traditional technologies on the other. It is evident that SMEs cannot fulfil their potential role because of the various bottleneck factors, which include resource endowments, economies of scale, demand conditions, market size, as well as availability of technology and suitable institutions. Through the formation of LBAs, SMEs can address these problems related to their size and improve their competitive position. It is also recognized that LBAs represent an increasingly important form of participatory development in developing countries. They can make a major contribution to the improvement of the environment SMEs operate in by serving as a vehicle for the expression of their views, taking collective action, delivering core services, and networking among members and other stakeholders.

Although LBAs are not the most effective provider of all Business Development Services (BDS), they have a comparative advantage in certain services (e.g., group insurance policies) and act as an effective facilitator for the rest. Assuming that the main development goal is to support the growth of SMEs, the complementariness of interests between the donor and the LBA can only be taken for granted, when the membership of the prospective LBA is dominated by the intended

target group (e.g., SMEs). However, there are few such “ideal” (SME dominated) LBAs in developing countries, and they are often small, locally oriented, and unstable. As a consequence, these organizations have only limited political influence and capacity to offer quality services to their members. With more established and larger LBAs, a clash of interests is more likely to occur, since they typically articulate the interests of large businesses. Therefore, cooperation with these organizations should concentrate on areas in which potential conflicts of interests can be minimized or in areas that address the specific needs of the smaller members of the LBA.

Another possible strategy may involve the establishment of a dedicated subcommittee for SMEs within the LBA, which may function as a focus to represent the interests of the smaller members. There are certain structural features, which determine the level of ownership, control, transparency, and accountability of an LBA. At least theoretically, most LBAs have a democratic structure, which ensures the participation and ownership of their members. In practice, however, structures may not work as intended. One possibility is that a few influential members (or the president) use the association to serve their private interests. Excessive government influence on the operations and staffing of an LBA can also be problematic. In both cases, LBAs will not be able to act as authentic representatives of their SME members.

## **2.2 REVIEW OF EMPIRICAL STUDIES**

This section uses empirical evidence, gathered from interviews with business associations, supplemented by reviewing their research reports and policy position papers and cross referenced through interviews with public officials. This section deals with the review on the characteristics of local business associations, the types and examples of local business associations (LBAs) in Ghana, the role of supporting institutions for local business associations in Ghana, how local business associations fail and the tools needed to sustain the growth of local business associations. According to the REP Standard Manual on Grooming and Strengthening (SGMS) Local Business Associations for MSEs (2017), the following characterize an effective and sustainable LBA;

- Common Understanding of purpose
- Commitment of Members
- Effective Leadership
- Transparency and Conflict Handling
- Registration of LBA
- Existence of established rules and regulations
- Payment of Dues
- Provision of Services

An association is a group of people organized for a particular purpose. It is a collection of two or more people with the aim of coming together and working together for a reason. This reason could be for welfare or economic purposes.

According to United Nations Global Compact, UNGC (2018), business and industry associations can have significant influence on corporate sustainability. Their vast memberships span business sectors throughout the world, and they offer in-depth understanding of industry-specific trends. Companies around the world in all sizes and various sectors consult associations for expertise on critical issues related to sustainable development and corporate citizenship. To strengthen industry

reputation and competitiveness, these associations engage in a range of activities that advance their members' corporate sustainability practices:

- As a representative of businesses, associations understand issues that are material to their members. Thus, these associations are well equipped to offer sector-specific advice and guidance on key sustainability issues, by developing tools and promoting best practices.
- With their convening power to bring together companies of all sizes in their sector, associations help develop technical standards on corporate sustainability performance. Well-developed and coherent technical standards allow effective benchmarking and data tracking on corporate practices.
- As a trusted business voice, these associations have long engaged with policymakers and other key stakeholders to advance various public policy issues. Global business associations have helped strengthen key sustainability priorities such as anti-corruption and the rule of law.
- Business and industry associations engage with consumers and the public at large to raise awareness on their sector's contribution to society.

A recent survey confirmed that business associations are the most preferred partner of companies actively engaged in corporate sustainability collaboration. These associations mobilize the private sector in support of key development projects by brokering sector-specific partnership projects. All these characteristics of a local business association work to ensure that it provides services to benefit the businesses of members.

### **How Local Business Associations Fail**

According to the empirical evidence gathered from the Rural Enterprises Programme (REP) field survey (2018), less successful associations fail to distinguish what is temporary from what is lasting. They allow momentarily attractive activities to consume valuable resources without long term purpose. Such associations are constrained by a culture of individual leadership that treats leaders like celebrities rather than stewards.

Larry Spears (2010) describes the experiences of a rapid shift in many businesses and not-for-profit organizations— away from the more traditional autocratic and hierarchical models of leadership and toward servant leadership as a way of being in relationship with others. Servant leadership seeks to involve others in decision making, is strongly based in ethical and caring behavior, and enhances the growth of workers while improving the caring and quality of organizational life (Ryan, 2018). Most of these LBAs practice the traditional leadership culture which is usually enabled by leaders who think they are responsible for personally setting the association's agenda, instead of seeing themselves as responsible for ensuring that the agenda is well set. These leaders commit to accomplishments that can be completed during their terms of office with little informed consideration of their longer-term value to members or mission.

## **The Role of Supporting Institutions for the Promotion of Local Business Associations in Ghana**

In Ghana, there are several supporting institutions that promote the local business associations for micro and small-scale enterprises (MSEs). The major role is to build strong partnership with the Government of Ghana, non- governmental organizations (NGOs) and other Government's program. Another major role is the provision of financial services to support the informal economy in creating more employment opportunities and improving the livelihoods of the people in the communities. Some of these institutions are the Participating Financial Institutions (PFI), bank of Ghana (BoG), International Fund for Agricultural Development (IFAD) and others.

According to Moses, Alexander and Ransford (2014), The Bank of Ghana's history of promoting and financing the local business associations for Micro and Small- Scale Enterprises (MSEs) began from the Credit Guarantee for Small Borrowers scheme in 1969 that was administered through the Development Finance Department of the Bank. The Bank was further instrumental in administering the IDA-financed Fund for Small and Medium Enterprise Development (FUSMED) Project, and also with the Private Enterprise and Export Development (PEED) Project, as well as other direct projects that were ended after Bank of Ghana (BoG) decided to focus on its core areas of operation. Currently, BoG is actively participating in the Rural Financial Services Project (RFSP). The access to Rural Financial Services Project (RFSP) is the second component of the Rural Enterprises Programme (REP). The Rural Financial Services is in the form of Rural Enterprises Development Fund (REDF) and the Matching Grant Fund (MGF) to support the local business associations for micro and small-scale enterprises in Ghana. This Rural Financial Services Project (RFSP) was supported by donors such as the International Development Agency (IDA) of the World Bank, the International Fund for Agricultural Development (IFAD), and the African Development Bank (AfDB). It is aimed at broadening and deepening financial intermediation in rural areas through measures such as; Capacity Building of the Informal Financial Sector, Capacity Building of Rural and Community Banks, and the establishment of an Apex Bank for Rural Banks in Ghana.

Currently, the projects that are on-going for the MSE sector include the Financial Sector Improvement Project, Financial Sector Strategic Plan (FINSSP), the Rural Financial Services Project (RFSP), the United Nations Development Programme (UNDP) Microfinance Project, the Social Investment Fund (SIF), the Community Based Rural Development Programme (CBRDP), Rural Enterprise Project (REP), and Agricultural Services Investment Project (ASSIP). A recent impact assessment of the plethora of MSE financing programs that have been implemented across the country suggests that significant challenges remain in ensuring the effectiveness of LBAs for MSE programs (Moses *et. al.*, 2014). The study found that access to financial support services was a significant problem for the LBAs, even though other problems such as weak leadership structure, weak advocacy skills and conflicts amongst association members were also cited. The next section outlines some of the remaining challenges facing the local business associations in Ghana.

### **The Tools Needed to Sustain Growth of Local Business Associations**

Local business associations that are successful are led by policy and strategy. Success is collectively defined and the leaders work at maintaining clarity and consensus about what will constitute success, from the evidence gathered from the research, one of the leaders of the association attributed the success of an association to involving all members in the association, to ensure every member is carried along in the making of policies and implementation of those policies (REP field survey, 2018). This evidence connotes the UNGC (2018) development role for members' corporate sustainability practices. This is articulated in terms that describe the value or benefit that will accrue to the objective and members. Activities of the local business association are guided by a well-conceived and continuously adjusted plan of action purposefully designed to go beyond any one leader's term of office. Thus, the tools required to sustain the growth of a local business association includes;

1. Planning- good strategic planning is a process, not just an event that produces a written product. The process of planning strategically also involves
  - Determining measures that enable the association to monitor progress in achieving desired outcomes
  - Linking work, resource allocation, and accountability to the outcomes desired and
  - Installing methods adjusting the strategy based on changes in the environment or experience in implementation.

Maintaining a process for planning strategically that is outcome oriented, participative, and continuous keeps the vision of the association alive.

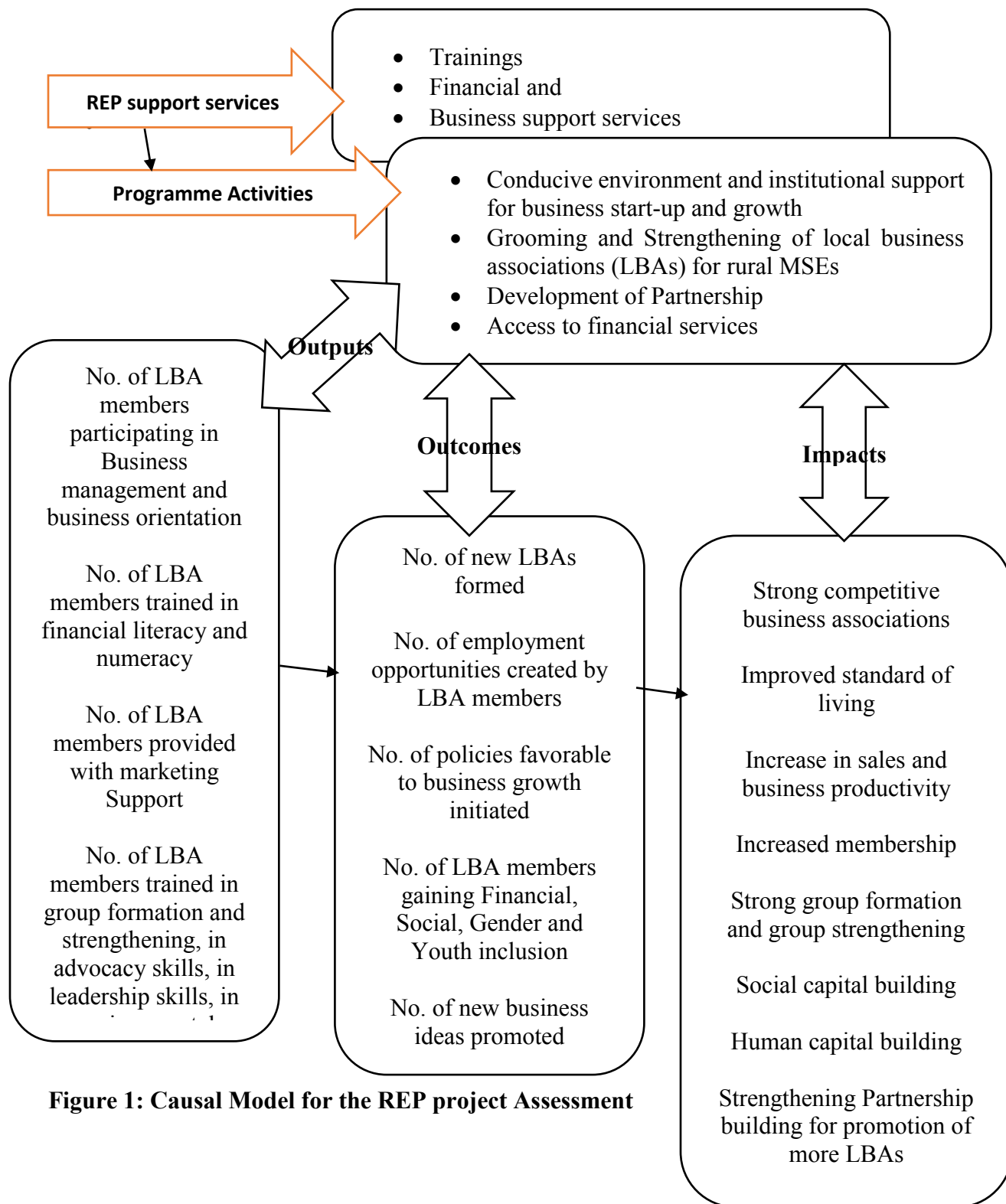
2. Leadership Retreat- organize annual retreat for leaders to set up agreement on objectives and resources that will be necessary for the year as well as priorities for these initiatives.
3. Annual Member Communication- members should adequately be informed on the execution of the plan, successes and challenges. The plan has no credibility with anyone until it makes something positive happen. For example, gathered from another resourceful association leader who suggested that once a year, the LBA can send a very short page in bullet points to all members and key stakeholders on all that have been accomplished in a year with the plan as well as explaining how the completion of that particular strategy benefits members.
4. Leadership Communication- This ensures that incoming leaders have been well briefed about the status of the plan and implementation in the association (SMGS, 2017).

Therefore, local business associations need to make effective use of these strategic tools to sustain their growth in the economy of any country. In addition, major supporting institutions for the promotion of local business associations for the micro and small-scale enterprises should ensure strong institutional development and partnership towards sustaining the growth of local business associations in the informal sector economy.

## 2.3 REVIEW OF METHODOLOGY

This section reviews the analytical framework of the Rural Enterprises Programme support services on grooming and strengthening the local business associations, building institutional capacity and enabling the business environment for the rural micro and small-scale entrepreneurs.

### 2.3.1 Analytical Framework



**Figure 1: Causal Model for the REP project Assessment**

## CHAPTER THREE

### 3.0 RESEARCH METHODOLOGY

#### 3.1 DESCRIPTION OF STUDY AREA

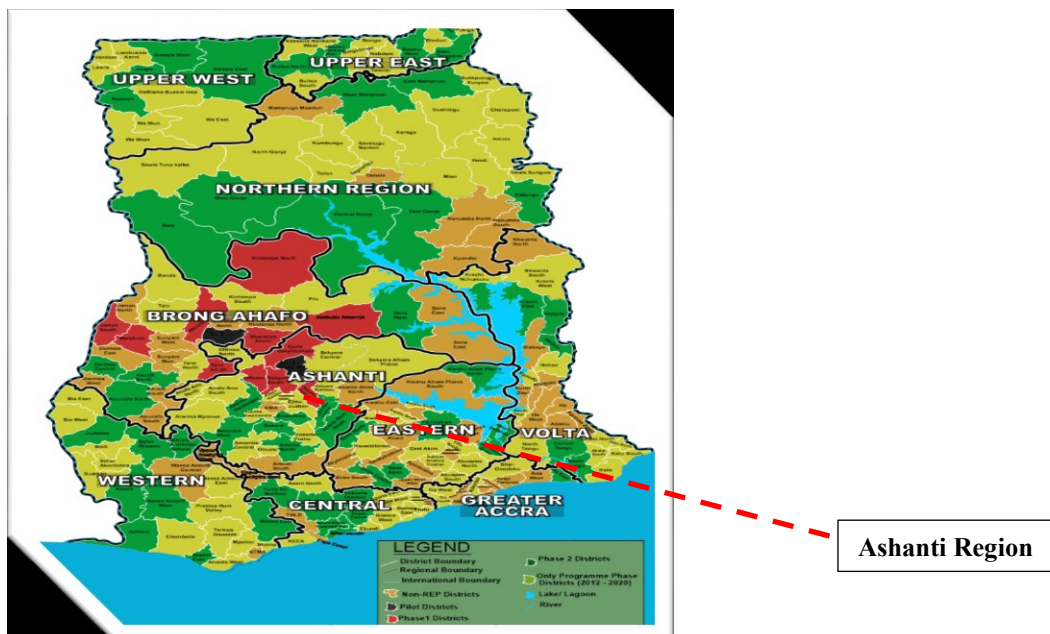
##### 3.1.1 Introduction

The proposed area of study is Ashanti region in Ghana. The Ashanti Region is located in the southern half of Ghana and is the third largest of 10 administrative regions, occupying a total land surface of 24,389 km<sup>2</sup> (9,417 sq mi) or 10.2 per cent of the total land area of Ghana. In terms of population, however, it is the most populated region with a population of 4,780,380 according to the 2011 census, accounting for 19.4% of Ghana's total population. The Ashanti Region is known for its major role in gold bar and cocoa production. The Ashanti Region is centrally located in the middle belt of Ghana. It lies between longitudes 0.15W and 2.25W, and latitudes 5.50N and 7.46N. The region shares boundaries with four of the ten political regions, Brong-Ahafo Region in the north, Eastern region in the east, Central region in the south and Western region in the South west. The region is divided into 27 districts, each headed by a District Chief Executive.

##### 3.1.2 Administrative Status

The largest city and regional capital of the Ashanti region is Kumasi. The political administration of the region is through the local government system. Under this administration system, the region is divided into 30 districts made up of 1 Metropolitan, 7 Municipal and 22 Ordinary districts. Each District, Municipal or Metropolitan Area, is administered by a Chief Executive, representing the central government but deriving authority from an Assembly headed by a presiding member elected from among the members themselves (source: Wikipedia).

**Figure 2: Map of Ghana showing the Rural Enterprises programme (REP) coverage/ implementation**





## **3.2 NATURE AND SOURCES OF DATA**

### **3.2.1 Population of Study**

The proposed study population of the research are the local business associations (LBAs) in Ejisu Juaben Municipal, Ashanti Akim Central Municipal and Ashanti Mampong Municipal Assemblies of the Ashanti region, Ghana. This included all MSE operators operating as members of LBAs, Business Advisory Centre (BAC) officers, District Assembly officers and other key stakeholder institution of REP. Ejisu Juaben Municipal Assembly is one of the trajectory districts of the new REP phase III intervention in 2013. Ashanti Akim Central District Assembly is one of the trajectory districts of the REP phase II intervention in 2012 while Ashanti Mampong District Assembly is one of the pilot stage districts of the REP I intervention in 1995.

### **3.2.2 Nature of study**

This study is an evaluation type of study; since it assesses the impact of the Rural Enterprises Programme (REP) support services on the empowerment of local business associations. To achieve the pre-stated objective of the study, both primary and secondary data sources were used. Moreover, the researcher also used both quantitative and qualitative data. Quantitative data were obtained from the association members via questionnaire, which was designed by the researcher with the support and supervision of advisors.

### **3.2.3 Data Sources**

Primary and Secondary data sources were used to obtain information. Focus Group Discussions (FGDs) and Key Informant Interviews (KIIs) were used in obtaining the qualitative data while a well-structured questionnaire was designed, pre-tested and administered to the MSE operators in LBAs as well as important stakeholder institutions for in-depth data collection.

## **3.3 METHOD OF DATA COLLECTION**

Multiple data collection methods were employed for data collection from the primary data and secondary data sources. For primary data, the methods used included; administered questionnaires, oral interviews and conversations with stakeholders, and focus group discussions.

### **3.3.1 Secondary Data Review**

An extensive literature review from a wide range of selected articles from journals, government and international agencies policies and publications, technical documents, reports and books was carried out to inform both the approach used, the focus of the work and analysis of the content. This involved conceptual and literature review on Rural Enterprises Programme (REP), business associations, promotion of micro and small-scale enterprises (MSEs) operators and increasing competitive local business associations. This led to an in-depth understanding of the topic and helped in identification of challenges to creating more competitive association in rural communities and sustainable approaches to help solve these challenges to empower the local business associations in Ashanti Region of Ghana. The analysis also informed the REP supported programme design, conduct of interviews and surveys.

### 3.3.2 Primary Data Collection

The primary data collection included surveys, personal observations and interviews such as key informant interviews and in-depth interviews. Semi-structured questionnaires for the interviews and surveys were developed, pretested and used to collect data face –to – face from the small business owners in associations in the three (3) district assemblies to enable the collection of in-depth quantitative and qualitative information that is, views and experiences of associations leaders, business associations, Business Advisory Centres (BAC) Officers, Rural Technology Facilities (RTFs) Officers which are extension/support service providers of the REP.

A total of eight (8) focus group discussions (FGD) were held at seven (7) communities of the three district assemblies. About eight (8) key informants' interviews (KIIs) were also conducted. In order to have a good representation of all the relevant groups, purposive sampling techniques were used in selecting the respondents for FGD and KIIs. A structured questionnaire was administered to small business owners in associations to collect information on members' opinions and views on leadership structure of the association, the social capital factors that influence their involvement in the association and also the perceived benefits of the Rural Enterprises Programme (REP) support services on their businesses and associations. In addition, the key informant interviews were conducted as part of in-depth interviews to acquire more information on the research study. This technique was used to acquire more information on decision making of local business associations and the view of the key associations in the communities. Besides, field observation was also used to collect additional data and used to verify some of the information collected.

**Figure 3: A Key informant interview session with the Gari processing association leader at Nobewam village, Ejisu-Juaben.**



**Figure 4: A focus group discussion held with the Adumkrom beekeepers association (REP beneficiaries) at Adumkrom village, Asante Akim Central.**



**Figure 5: A focus group discussion held with the Oil Palm Producers Association (Non-REP beneficiaries) at Kyeremfaso, Ashanti Mampong District Assembly.**



**Figure 6: After an interactive session with the leader of a key social supporting institution (First person by the left view), the executive leader of Soap producer association (standing beside the researcher), assistant female leader of palm oil processing association and the researcher at the middle at Onwe Village, Ejisu-Juaben.**



### 3.4 ANALYTICAL METHODS/ SAMPLING TECHNIQUES

#### 3.3.1 Sample Locations and Sample Size

The sample size was calculated in proportion to the number of beneficiaries in the districts using the sample size calculator. The sample size included a total of 423 respondents from the Local business associations questionnaires made up of 282 beneficiary associations and 141 non-beneficiary associations. For the non-beneficiary associations, 50% of the beneficiary sample size was used. and major important stakeholder institutions covering the REP project in the districts.

**Table 4: Showing Sample locations and sample size**

Sample Locations			Sample Size		Total
Country	Region	District Assembly			
Ghana	Ashanti		REP client	Non-REP client	
		Ejisu-Juaben	104	52	156
		Ashanti Akim Central	90	45	135
		Ashanti Mampong	88	44	132
<b>Total Questionnaires</b>			<b>282</b>	<b>141</b>	<b>423</b>

(Source: Field survey, 2018).

##### 3.3.1.1 Sampling of key informants

Purposive sampling was used to select those to be interviewed for Key Informant Interview. This sampling method was used because it could give in-depth understanding and valid points for recommendation purposes. Key informant interview thus helped in getting detailed information on impact of the REP support services on the empowerment of local business associations, frequency and reliability of information received on business support services, type of REP support services for the LBAs, characteristics of the business associations, types of constraints faced by the business associations, effectiveness of business associations and government/donor agencies support. Table 3.3.1.2 shows the distribution of key informants per districts and section. The pool of professional key informants comprised of business advisory centers (BAC) heads, Rural Technology Facilities (RTFs) business development officials, institutional development official and association leaders.

**Table 5: Sample Size of Key Informants**

Section	Number of Key informants
Business Advisory Center (BAC) Heads	3
Rural Technology Facilities (RTFs) Heads	2
Business Development Officers (BDO)	3
Institutional Development officer (IDO)	1
Head of a church (social supporting institution)	1
Associations Leaders	15
<b>Total</b>	<b>25</b>

(Source: Field survey, 2018).

### 3.3.1.3 Sampling Size for Focus Group Discussions

The table below shows the sample size for focus group discussions conducted at seven (7) communities of the three (3) district assemblies under the REP coverage.

**Table 6: Sample size for focus group discussions**

District Assemblies	Villages	Name of Associations	No of participants		Sample Size	
			Male (M)	Female (F)	REP client	Non-REP client
Ejisu-Juaben	Onwe	Soap Producers Association	3	2	5	-
	Ejisu	Ejisu Garages Association Zone I	11	-	11	-
		Hair Dressers Association	-	10	-	10
Ashanti Akim Central	Adumkrom	Beekeepers Association	6	6	12	-
	Konongo	Konongo Fabrico Association	8	-	8	-
	Obenemase	Nyametease Oil Palm Processors Association	-	10	10	-
Ashanti Mampong	Kyeremfaso	Poultry Farmers Association	6	-	6	-
	Kofi Sarpong	Oil palm Producers Association	10	-	-	10
<b>Total</b>		<b>8 Associations</b>	M= 44	F= 28	<b>REP client= 52</b>	<b>Non-REP client= 20</b>
			<b>Total no of respondents= 72</b>			

(Source: Field survey, 2018).

### 3.3.2 Sampling Techniques

The sampling techniques used are the random probability and purposive sampling techniques. From Ashanti region, three (3) districts which are under the REP coverage/ implementation were purposefully selected.

### 3.3.3 Analytical Techniques

The data obtained from the field were analyzed using descriptive statistics. Data were presented in illustrative graphs, frequency tables and percentages. The data collected were sorted and analyzed with Statistical Package for Social Sciences (SPSS) version 20. The content of the interviews was

carefully planned, considering the research objectives, which was properly scrutinized for necessary corrections by the research supervisors.

### **3.5 MEASUREMENT OF VARIABLES AND A *PRIORI* EXPECTATION**

#### **3.5.1 Measurement of Variables**

The survey measured outcome/output indicators as well as impact indicators. Outcome /Output indicators are activities relating to the implementation of the REP while impact indicators relate to changes that occur as a result of the project activities. Data were analyzed using Statistical Package for Social Sciences (SPSS) version 20.

#### **3.5.2 *A priori* Expectation**

The research objectives will be properly covered relating to the specific goal of the study. The researcher administered a total of 450 copies of questionnaires to MSE operators in an association that are beneficiaries and non-beneficiaries of the Rural Enterprises Programme (REP). Due to time and financial constraints, the researcher was able to retrieve a total of 444 out of 450 administered copies of questionnaires, 21 data were discarded because of poor quality. Therefore, a total of 423 copies of questionnaires were retrieved for this study.

### **3.6 VALIDITY AND RELIABILITY OF INSTRUMENT**

The content of the questionnaire was carefully planned considering the research objectives. Face and content validity of the instrument was determined by the research supervisors by going through the copy of questionnaire for necessary corrections and ambiguous items were removed before the final content was pre-tested and administered.

### **3.7 ETHICAL CONSIDERATION**

A proposal for this study was presented at the Centre for Sustainable Development, University of Ibadan, Nigeria through the supervisor of this research and the Development Practice Programme coordinator for consideration, following which an approval to conduct this study was obtained through an introductory letter from the organization. Permission to administer questionnaires was obtained from the respondents and they were assured of confidentiality of the information provided.

## CHAPTER FOUR

### 4.0 RESULTS AND DISCUSSION

#### 4.1 Introduction

This chapter deals with the findings of the study and discusses the field data under various headings. The study begins with the socio-demographic characteristics of the respondents, followed by the characteristics of the businesses of respondents, support services received by the respondents, respondents' assessment of the project interventions, the effects of the Programme interventions on the empowerment of local business association. It also considers the challenges facing business operators and their business associations (after project interventions), and suggestions for improvement of better services and innovative practices for the promotion of local business associations in the future. The chapter ends with a conclusion on the findings and discussion.

#### 4.1.1 Demography of Respondents

This section deals with the personal characteristics of the respondents in terms of: gender; age; education, religion, marital status; and business sectors.

**Table 7: Demographic Profile of the respondents**

Demographic profile	Variables	Frequency	Percent (%)
Age Range (in years)	15 - 24	15	3.5
	25 - 34	106	25.1
	35 - 44	155	36.6
	45 - 54	92	21.7
	55 - 64	45	10.6
	65 - 74	10	2.4
	<b>Total</b>	<b>423</b>	<b>100.0</b>
Gender	Male	196	46.3
	Female	227	53.7
	<b>Total</b>	<b>423</b>	<b>100.0</b>
Marital Status	Single	53	12.5
	Co-habiting	47	11.1
	Married	290	68.6
	Separated	6	1.4
	Divorced	10	2.4
	Widowed	17	4.0
	<b>Total</b>	<b>423</b>	<b>100.0</b>
Religion	Christianity	382	90.3
	Islam	39	9.2
	Traditional	2	0.5
	<b>Total</b>	<b>423</b>	<b>100.0</b>
Education level	Graduate	22	5.2

	Diploma	13	3.1
	Secondary	66	15.6
	Basic/primary	296	70.0
	Informal	1	0.2
	Islamic	1	0.2
	None	24	5.7
	<b>Total</b>	<b>423</b>	<b>100.0</b>

Source: (Field Survey, 2018).

From the above table, more than 65% of the respondents fall between the ages of 15 and 44 years while the age range above 45 years is less than 35%. Majority (53.7%) of the respondents were female while 46.3% were male. This result indicates that majority of business owners that belong to business association are females. About 70% of the respondents are married while about 13% are single. High number of married small business owners means more labor workforce in the business environment. Apart from the REP, about 70% are involved in other initiatives. This means that the observed change/ impact may not be attributable only to the REP project which makes the calculation of the project attribution very important. Most (90%) of the respondents are Christians while about 10% are Muslims.

**4.1.2 Educational Level of Respondents**

Survey result on education indicated that about 6 percent of the respondents had never been to school, 16 percent has attained vocational and secondary levels of education, 70 percent had primary education, while about 10 percent had attained tertiary levels of education. The results in the table suggest that any innovative technologies intended for the LBA sector should be carefully packaged in the local language to ensure effective knowledge transfer.

**4.1.3 Characteristics of the Enterprises of Respondents**

This section discusses the characteristics of the enterprises that the respondents were operating under the following sub-headings below: distribution of respondents by business registration; specific trade or business type; specific business sector of respondents; and interventions received by the respondents.

**4.1.3.1 Registration of Business by Respondents**

The table below presents the business operators who have registered their businesses. The business operators that have registered their businesses with an institution are 66% while 34% have not registered their businesses with any organization during the survey period. 66% of both the REP and non-REP beneficiaries have registered their businesses of which 6.4% registered through the local business associations (LBAs), 10.6% through the Ghana Standard Authority (GSA), 8.5% through the Food and Drug Administration (FDA), and 40.4% through the Business Advisory Centers. This result indicates that majority of the MSE operators registered their business through the Business Advisory Centers under the Rural Enterprises Programme Intervention while minority registered under other supporting institutions of the REP. However, the minority who have also registered their businesses fall under the REP and non-REP group and 34% who have



not registered their businesses also fall under both the REP and non-REP group. However, the outcome of the impact of the REP intervention to influence MSEs to facilitate registration of businesses through the Local Business Associations is low (6.4%) compared to other institutions. This evidence provides data for REP to strengthen the facilitation of business registration by enabling the LBAs in the future.

**Table 8: Information on institutions with which MSE is registered**

Institution	Frequency	Percentage
<b>LBA</b>	27	6.4
<b>GSA</b>	45	10.6
<b>FDA</b>	36	8.5
<b>BAC/NBSSI</b>	171	40.4
<b>None</b>	144	34.0
<b>Total</b>	<b>423</b>	<b>100.0</b>

Source: (Field Survey, 2018).

Furthermore, the findings below revealed that 77.3% of the REP beneficiaries have registered their businesses while 22.7% have not registered their businesses. About 43% of the non-REP beneficiaries have registered their businesses while about 57% of the non-REP beneficiaries have not registered their businesses. About 78% of the REP beneficiaries registered their businesses as a result of the impact of the REP intervention on their LBAs. This result shows a positive impact of the REP intervention on facilitation of business registration through the business associations compared to the non-REP groups showing the majority of MSE operators who have not registered their businesses.

**Table 9: Showing business registration by respondents**

Business Registration	Beneficiaries				
	Frequency			Percentage	
	REP	Non-REP	Total	REP	Non-REP
Yes	218	61	279	77.3	43.26
No	64	80	144	22.7	56.74
<b>Total</b>	<b>282</b>	<b>141</b>	<b>423</b>	<b>100.0</b>	<b>100.0</b>

Source: (Field Survey, 2018).

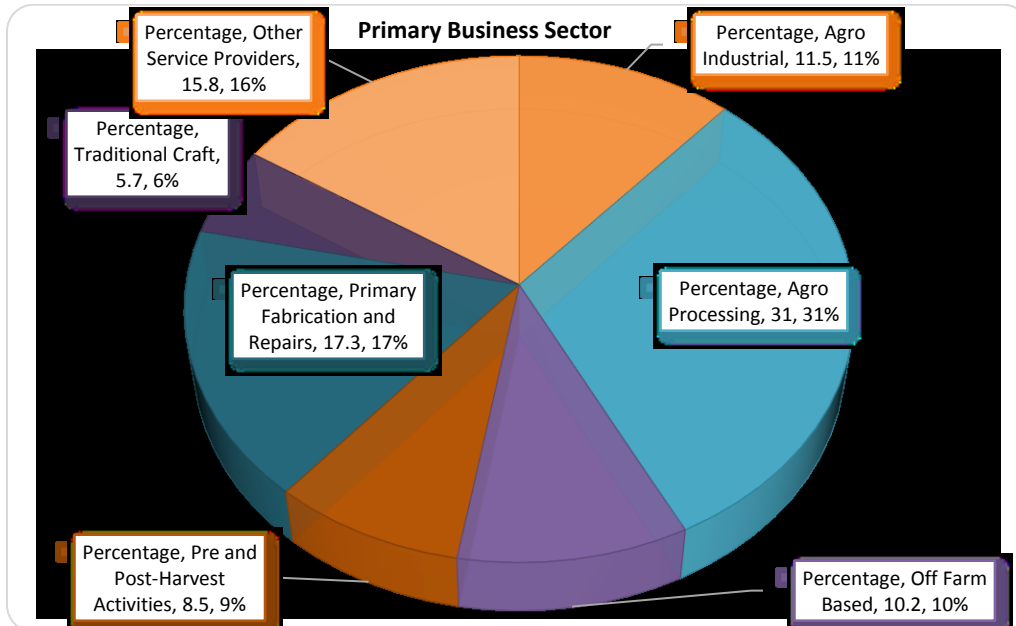
This analysis shows that majority of the REP beneficiaries registered their businesses through the influence of the Rural Enterprises Programme while majority of the non-REP group are yet to register their businesses. This shows there is a correlation between the REP beneficiaries and the Rural Enterprises Programme interventions.

#### 4.1.4 Primary Business/ Trade Sector of Respondents

From the chart below, the findings show that 31% of the respondents were into agro processing, followed by primary fabrication and repairs (17.3%), traditional craft (5.7%), off farm agricultural and forest production (10.2%), agro industrial (11.5%), pre and post-harvest activities (8.5%) and

other service providers (15.8%). This shows that majority of the respondents in the districts are agro processors.

**Chart 1: showing the distribution of the primary business sector**



Source: (Field Survey, 2018).

#### 4.1.5 Primary Business Activities of Respondents

**Table 8: Showing the distribution of respondents according to their primary business activities.**

<i>Business Sector/Type</i>	<i>Number of Enterprises</i>	<i>Total Number of Enterprises</i>	<i>Number of Enterprises (%)</i>	<i>Sub-sector (%)</i>
<b><i>Sector 1: Agro Industrial</i></b>				
<i>Soap Making</i>	45		10.6	
<i>Baking and confectionery</i>	4	49	0.9	11.5
<b><i>Sector 2: Agro Processing</i></b>				
<i>Carrot Farming and processing</i>	3		0.7	
<i>Cassava/ Gari processor</i>	38		9.0	
<i>Cocoa Farming</i>	1		0.25	
<i>Palm Oil Processing</i>	53		12.5	
<i>Palm Kernel and Oil Production</i>	24		5.7	
<i>Vegetable Grower and Processing</i>	12	131	2.8	31.0
<b><i>Sector 3: Off Farm Based and Forest Production</i></b>				
<i>Beekeeping</i>	17		4.0	
<i>Fish Farming</i>	5		1.2	
<i>Poultry Farming</i>	21	43	5.0	10.2
<b><i>Sector 4: Pre and Post-Harvest Activities</i></b>				
<i>Woodworkers/ Carpentry</i>	36	36	8.5	8.5
<b><i>Sector 5: Primary Fabrication and Repairs</i></b>				
<i>Air conditioner repairer</i>	2		0.5	
<i>Auto electrician</i>	8		1.9	
<i>Auto mechanics</i>	38		9.0	
<i>Blacksmiths and fabricator</i>	1		0.25	
<i>Electric Welder and Fitting</i>	4		0.9	
<i>Lubricants and spare parts Trader</i>	9		2.1	
<i>Welding</i>	11	73	2.6	17.3
<b><i>Sector 6: Traditional Craft</i></b>				
<i>Kenteweavers</i>	16		3.8	
<i>Leatherworks</i>	8	24	1.9	5.7
<b><i>Sector 7: Other Service Providers</i></b>				
<i>Dressmaking/ Tailoring</i>	41		9.7	
<i>Hairdressing</i>	26	67	6.1	15.8
<b>Total</b>	<b>423</b>	<b>423</b>	<b>100.0</b>	<b>100.0</b>

Source: (Field Survey, 2018).

## 4.2 Results Based on Objective I

This section explains the findings on research objective one of this study which is to “*assess the effectiveness of the REP support services for the LBAs in the rural districts*”. The REP support services for the Local business associations who are beneficiaries of the Programme intervention includes the training, marketing and financial support services. This objective identified the effect of the Programme support services for the local business associations in the rural districts. The tables below show the findings of the effect of training, marketing and financial support services for the beneficiaries and non-beneficiaries of the Programme in a business association.

**Table 9: Effect of Financial Support Services**

Effect Beneficiaries	Frequency		Percent (%)	
	REP	Non-REP	REP	Non-REP
Very Helpful	36	14	12.8	9.9
Helpful	42	19	14.9	13.5
Not Enough	17	24	6.0	17.0
Not Helpful	187	84	66.3	59.6
<b>Total</b>	<b>282</b>	<b>141</b>	<b>100.0</b>	<b>100.0</b>

Source: (Field Survey, 2018).

From the above table 11, the study shows that majority (66.3%) of the REP beneficiaries have no effective financial support services from the programme intervention to their business growth through the association while about 12.8% have an effective assess to financial support services through the programme intervention due to some reasons which was investigated through an in-depth interview approach. Some of the REP beneficiaries stated the reason of high interest rate, untimely disbursement of funds, low awareness and knowledge of how to access the funds from the Rural Enterprises Programme. This result indicates that the programme component of access to rural finance needs to be improved and also increase sensitization about the awareness of how to access financial support services for the REP groups to enable the local business associations in the community. The REP should also extend their support services to the non-beneficiaries in order to have adequate access to financial support services to target the formation of more local business associations in the districts.

**Table 10: Effect of Training Support Services**

Effect Beneficiaries	Frequency		Percent (%)	
	REP	Non-REP	REP	Non-REP
Very Helpful	96	30	34.0	21.3
Helpful	87	34	30.9	24.1
Not Enough	57	37	20.2	26.2
Not Helpful	42	40	14.9	28.4
<b>Total</b>	<b>282</b>	<b>141</b>	<b>100.0</b>	<b>100.0</b>

Source: (Field Survey, 2018).

This result presents that majority of the REP beneficiaries have received adequate trainings such as technical trainings, traditional apprenticeship, business management as a group or as an association which has been very helpful to their business growth and also to their business associations.

From the above table 12, the study also revealed that about 65% of the beneficiaries of the REP have received adequate trainings as a result of the project intervention while about 35% of the REP beneficiaries have not received adequate trainings to their business growth. About 45% of the non-REP beneficiaries have received adequate trainings as a result of their intervention, majority of the non-REP beneficiaries received trainings as an apprentice from their masters or from their family and friends. About 55% of the non-REP beneficiaries has no adequate training support services. These findings indicate that the training support services through the programme intervention are effective on the beneficiaries. Therefore, the REP support services should target the level of coverage to the non-beneficiaries.

**Table 11: Effect of Group Training Support Services acquired to strengthen the business association**

Effect Beneficiaries	Frequency		Percent (%)		Difference in %
	REP	Non-REP	REP	Non-REP	
Very Helpful	56	20	19.9	14.2	5.7
Helpful	60	26	21.3	18.4	2.9
Not Enough	92	39	32.6	27.7	4.9
Not Helpful	74	56	26.2	39.7	13.5
<b>Total</b>	<b>282</b>	<b>141</b>	<b>100.0</b>	<b>100.0</b>	

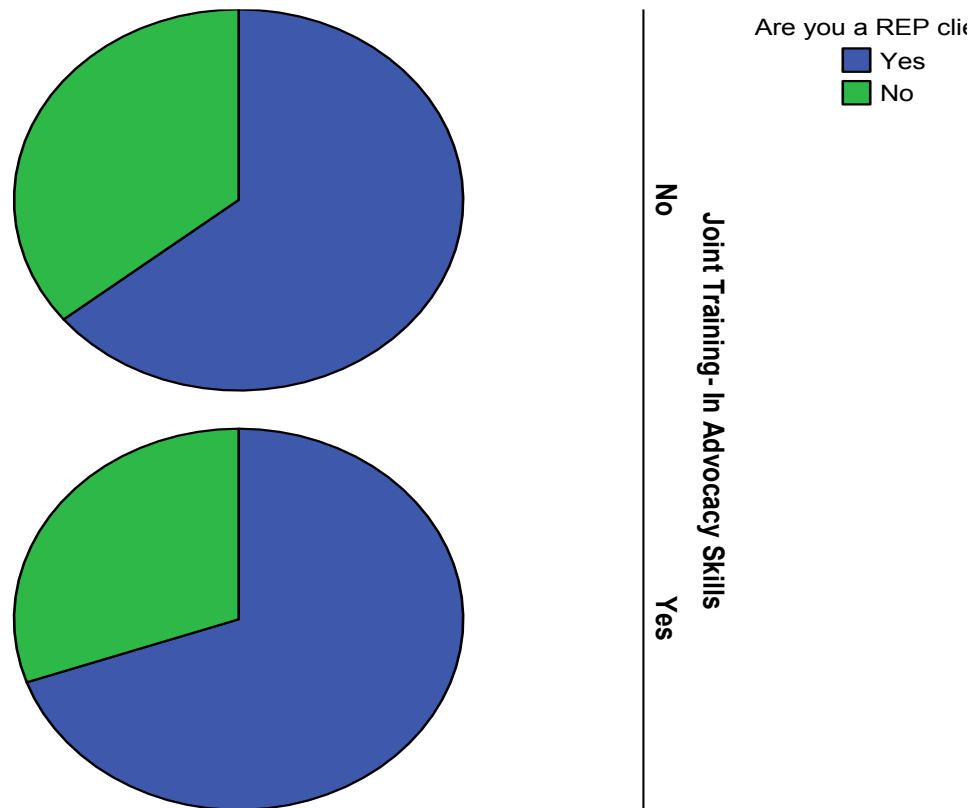
Source: (Field Survey, 2018).

Majority of the REP groups responded that the influence of the REP intervention to strengthen their business association was very helpful while the majority of non-REP group responded that the effect of the group training support services acquired to strengthen the association was not helpful. Further in-depth interview and open-ended questionnaires investigated the reasons why the effect was not helpful to the non-REP group. Some of the reasons included that there was lack of cooperation amongst association members to be available for the group trainings, some respondents revealed that there was no motivation to receive group trainings as their association has collapsed and the leadership structure is very weak. Furthermore, some respondents stated reasons that they do not understand the role of group trainings in their associations because of poor illiteracy and inadequate knowledge to understand the effect of group trainings on the association. This is in line with the educational level of the respondents of which majority of the respondent's highest educational attainment is the basic or primary school education. Similarly, majority of the REP group who have received group trainings in group formation and group strengthening have adequate knowledge on the effect of group trainings on the associations and they reported that it has strengthened their association policies compared to the non-REP group who reported the collapse of the business association.

In addition, from the table 13 above, about 40% of the associations under the REP programme intervention have received adequate training support services such as training in group dynamics and in advocacy skills to strengthen their association while about 60% of the REP beneficiaries have not received adequate trainings as a group to empower their business associations. Hence, the programme intervention on group trainings should be made effective in a sustainable way. Nevertheless, about 67% of the non-REP beneficiaries have not obtained adequate group trainings to strengthen their business associations while about 33% of the non-REP beneficiaries have received group trainings to strengthen the association. Therefore, the REP implementation strategy for grooming and strengthening the LBAs for rural MSEs should be extended to the non-REP beneficiaries in order to meet with the target level of coverage by 2020.

The chart below presents the analysis of the number of beneficiaries that have received group trainings in advocacy skills for both the REP beneficiaries and non-REP beneficiaries. The findings reveal that majority of both the REP groups and Non-REP groups have not received adequate group trainings in advocacy skills. However, majority of the non-REP group that have not received group trainings in advocacy skills are higher than the REP groups as a result of the REP intervention to train the local business associations under the REP coverage in group advocacy skills. Furthermore, the chart also shows that majority of the REP groups that have not received group trainings in advocacy skills is higher than those that have received trainings in group advocacy skills, therefore the REP should facilitate more local business associations to participate in group trainings on advocacy skills.

**Chart 2: showing the frequency of respondents who have received group trainings on advocacy skills**



**Table 12: Group training in advocacy skills**

Improvement / Beneficiaries	Frequency		Percent (%)		Impact Difference between groups (%)
	REP	Non-REP	REP	Non-REP	
Yes	133	58	47.2	41.1	6.1
No	149	83	52.8	58.9	
<b>Total</b>	<b>282</b>	<b>141</b>	<b>100.0</b>	<b>100.0</b>	

Source: (Field Survey, 2018).

Using descriptive analysis, the table 14 above shows there is a significance difference between the REP intervention in group trainings on the local business associations. The impact difference between the REP group and non-REP group is 6.1%.

**Table 15: Promotion of Marketing Support Services received on the business growth**

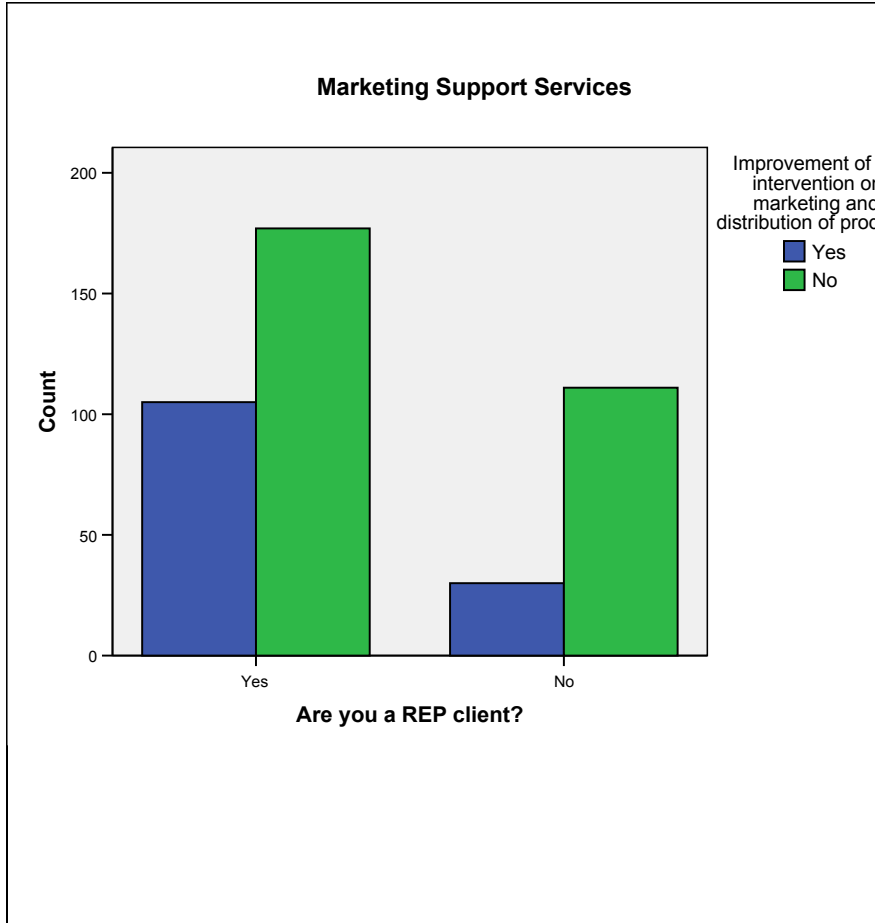
<b>Improvement</b> <b>Beneficiaries</b>	<b>Frequency</b>		<b>Percent (%)</b>		<b>Difference between groups (%)</b>
	<b>REP</b>	<b>Non-REP</b>	<b>REP</b>	<b>Non-REP</b>	
Yes	105	30	37.2	21.3	
No	177	111	62.8	78.7	15.9
<b>Total</b>	<b>282</b>	<b>141</b>	<b>100.0</b>	<b>100.0</b>	

Source: (Field Survey, 2018).

This result show that 37.2% and 21.3% of both the beneficiaries and non-beneficiaries of the REP respectively has improved accessibility to marketing and distribution of goods and services. About 63% and 79% of both the beneficiaries and non-beneficiaries respectively have no improved accessibility to market their goods and services. This result shows a positive impact (about 16%) of the REP intervention to promote market support services of the REP beneficiaries compared to the non-REP beneficiaries. However, the REP should further strengthen the promotion of marketing support services for the LBAs as well as enclose the non-REP groups in the districts.



**Chart 3: Showing the programme intervention on promotion and distribution of business products**



### 4.3 Results Based on Objective II

This section shows the findings on the research objective two of the study which is to “*assess the impact of the REP intervention on empowerment of LBAs in the rural districts*”. To a great extent, most support programmes have had an impact on the leadership and governance structure, decision making skills, facilitation of business registration, increased membership and policies of most business associations especially at the regional and national level. In Ghana, the opinions and views of the governance structure, decision making skills and policies in most local business associations at the district level is very important, hence the need to assess the impact of the REP intervention on the empowerment of local business associations. The charts and tables below represent the before and after findings of the empowerment evaluation of both the beneficiaries and non-beneficiaries of the REP support services.

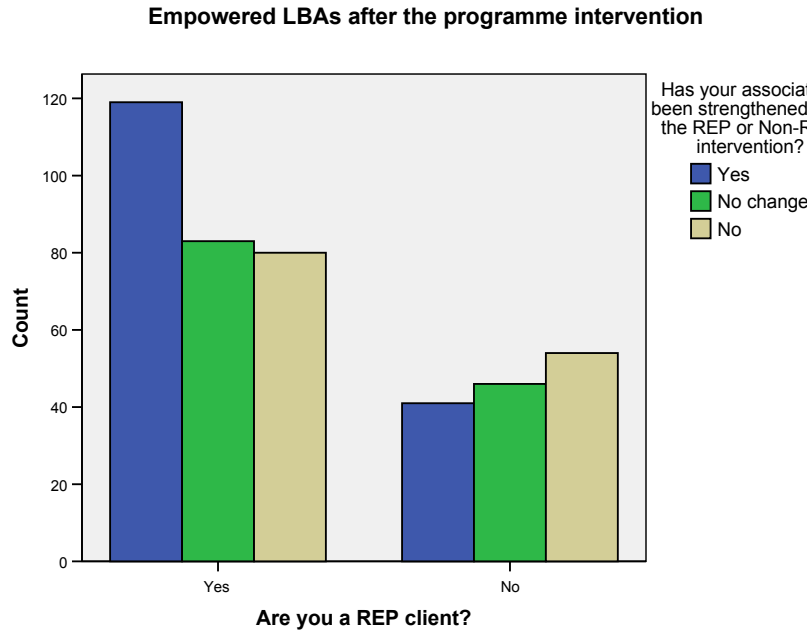
**Table 16: Percentage distribution of impact of the programme intervention on empowerment of LBAs in the rural districts**

Beneficiaries	Empowered LBA	Intervention		Improvement (%)
		Before (%)	After (%)	
REP	Yes	15.6	42.2	<b>26.6</b>
	No Change	-	29.4	
	No	84.4	28.4	
<b>Total</b>		<b>100.0</b>	<b>100.0</b>	
Non-REP	Yes	13.5	29.1	<b>15.6</b>
	No Change	-	32.6	
	No	86.5	38.3	
<b>Total</b>		<b>100.0</b>	<b>100.0</b>	
<b>Changes in improvement</b>				<b>11.0</b>

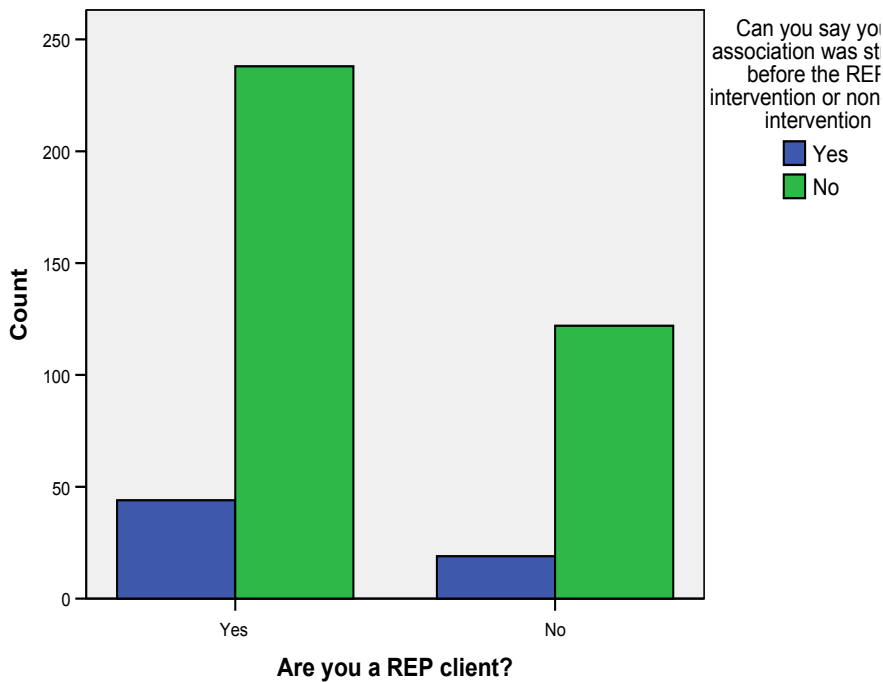
Source: (Field Survey, 2018).

From the above table, the result shows that there is a significant difference between the impact of the programme intervention and empowering the local business associations. The result shows the improvement of 26.6% for the REP beneficiaries and improvement of 15.6% for the non-beneficiaries. This shows that the programme intervention has a positive impact on the empowerment of the beneficiaries in a local business association and it should extend its support services to the non-beneficiaries in order to further extend its implementation strategy to enclose them as well. The change in improvement is 11% between the beneficiaries and non-beneficiaries of the programme intervention.

**Chart 4: Showing the empowerment evaluation of the respondents in an association before the programme intervention.**



**Empowered LBAs before the programme intervention**



**Chart 5: Showing the empowerment evaluation of the respondents in an association after the programme intervention**

#### 4.4 Results Based on Objective III

This section presents the results based on objective three of the study which is 'to identify the perceived challenges faced by the LBAs to support their members' businesses in the rural districts. The local business associations encounter so many problems in supporting the businesses of their members, these barriers also hinder the formation of new LBAs in the communities. Therefore, the need to identify these challenges faced by the LBAs in order to properly address them to provide better and innovative interventions for the business associations. The findings are indicated in the table below. The responses given by the respondents through an open-ended question reveal the challenges faced by the local business associations by both the REP beneficiaries and non-beneficiaries in the associations and they are summarized below:

1. Conflicts and disorderliness among members in the association
2. Decreased membership size as a result of no appointment of leaders in the business associations.
3. Delay in collection of certificates after receiving trainings in the association
4. Gender bias and discrimination among old members to new members
5. Government have not listened to our voice to amend policies not suitable for our business growth
6. Inadequate access to financial support and membership basic needs
7. Inadequate follow up and update by the REP/ BAC officials to solve the challenges
8. Inadequate trainings in group strengthening and in group advocacy skills
9. Lack of trainings in marketing skills and packaging strategies
10. Lack of cooperation and unity amongst members to strengthen the association
11. Members cannot freely express their opinions and views in the association
12. No motivation in participating in the association and irregular attendance of meetings
13. Poor information and communication system to reach other umbrella associations outside the district
14. Poor access to technological advancement and transfer
15. Weak leadership structure and mismanagement of funds by association leaders

The study reveals that the major challenges faced by both the REP beneficiaries and non-REP beneficiaries in the districts are inadequate access to financial services and membership basic needs, which is about 27% and 26% respectively. Another major challenge is weak leadership structure and mismanagement of funds by leaders, which is about 16% and 17% for both the REP beneficiaries and non-REP beneficiaries respectively. This is also in line with the study findings on the effectiveness of the REP financial support services on the LBAs based on objective one of this study which majority of the respondents said the financial services is not enough and not helpful for their business growth and also for the business associations. Notwithstanding the programme support, the perceived challenges facing the local business associations are still as prevalent as with the non-REP group. Therefore, the REP should make an in-depth approach to address the perceived challenges among the local business associations in the districts.

#### **4.5 Results Based on Objective IV**

The fourth objective of this study is to proffer sustainable recommendations that will contribute to more innovative and better services to support the LBAs in future. This aspect of the study was conducted through a focus group discussion, oral interviews and personal observations. The findings were analyzed and interpreted by the researcher and discussed in ‘chapter five’ below.

## CHAPTER FIVE

### 5.0 SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### 5.1 SUMMARY OF FINDINGS

This study was carried out on the beneficiaries of the Rural Enterprises Programme who are members of local business associations in Mampong, Asante Akim Central and Ejisu-Juaben Municipal Assemblies of the Ashanti Region in Ghana. A total of 423 questionnaires were administered to beneficiaries and non-beneficiaries in local business associations. Focus group discussions (FGD) were conducted with eight (8) local business associations and key informant interviews (KIIs) with fifteen (15) leaders of different business associations, three (3) Business Advisory Centres (BAC) heads and two (2) Rural Technology Facilities (RTFs) managers to improve reliability of information gathered. The data collected helped to determine the impact of the Rural Enterprises Programme (REP) support services on the empowerment of local business associations, social capital factors that influence members' involvement in an association, challenges that hinder the promotion and competitiveness of local business associations and strengthening of institutional partnership that enable the promotion of local business associations. Adopting a theory-based approach and mixed methods evaluation technique, results were analyzed using descriptive statistics.

Findings of this study reveal that majority of the respondents were female, 90.3% were Christians and about 70% were married which means more increase in business production and household consumption pattern. The local business associations in this study includes the Welders and Fabricators association, Baking and confectionery association, Beekeepers association, Cassava and Gari processors association, Fish farmers association, Ghana Tailors and Dressmakers association, Ghana Hairdressers association, Garages associations, Association of small scale industries (shoemakers), Oil palm producers' association, Poultry farmers associations and Woodworkers association in the districts. The majority of the respondents' business sector is the agro processing which is 31% (Cassava and Gari processors, Palm oil producers and amongst others).

The study also reveals that majority of the REP beneficiaries have registered their businesses while about 57% of the non-beneficiaries are yet to register their businesses. This finding indicates that the programme intervention should target more LBAs to facilitate members to register their businesses. The responses from this study about the effectiveness of the training support services received by the REP beneficiaries was effective on their business growth while majority of the non-REP beneficiaries said the trainings received was not effective to improve their business growth. Nevertheless, the training support services should be extended to enclose more of these non-beneficiaries in the districts.

The findings also show that programme access to financial support services received by the beneficiaries as a group is not effective, thereby the need to make adequate provision of access to financial services to enable the business associations to support the business growth of their members. Majority of the non-REP beneficiaries also do not have adequate access to financial

services to support their business growth. The investigation of the REP intervention on the group trainings received by both the REP and non-REP beneficiaries reveals that it is not effective and adequate for the business associations in the REP implementation districts covered in this study. Therefore, the programme implementation strategy on group trainings should be made more effective for the REP beneficiaries and also extended to the non-REP beneficiaries. This will lead to formation new business associations as well as increase membership. The findings also revealed that the major problem faced by the local business associations in the study area is inadequate access to financial services and membership basic needs for both the REP beneficiaries and non-REP beneficiaries. Another major issue revealed from these findings is weak leadership and management structure of the business association and the responses received is about 16% and 17% by both the REP beneficiaries and non-REP beneficiaries respectively. This study also shows that majority of both the REP beneficiaries and non-REP beneficiaries have inadequate access to marketing support services. Therefore, the REP should strengthen its marketing support services for the business operators and also target the non-REP beneficiaries in the rural districts. Findings from the focus group discussions and key informant interviews held with some major stakeholders also reveal that majority of the challenges faced by the LBAs includes;

- Financial Challenges
- Weak Association
- Inadequate Staffing to reach out to these LBAs to extend the REP support services
- Inadequate LBA networking and managerial support
- Poor regulatory system from the relevant authorities
- Low Infrastructural facilities and
- Inadequate market information and distribution system.

## **5.2 CONCLUSION**

In Ghana, the views and opinions of most LBAs are not heard by the relevant authorities because of some factors that undermine them. There are a number of problems that these LBAs encounter that hinder their growth and formation in the rural districts. The Association of Ghana Industries (AGI), Ministry of Trade and Industries (MOTI), the Government of Ghana (GoG) and other key stakeholders supporting institutions are very interested in knowing the views and opinions of these LBAs from the grass-root level and therefore the initiative approach of the REP implementation strategy to empower the LBAS for rural MSEs. Through the REP supported programme initiative, the LBAs were targeted and enclosed into the programme components. However, the impact of this programme intervention on the LBAs since its inception is otherwise not known. In order to gain adequate knowledge of the programme intervention to support the rural MSEs by empowering their LBAs and building their social capital, there is need to facilitate strong collaboration between the LBAs and the public-private sectors in order to strengthen institutional development in Ghana.

Therefore, this report identifies the impact of the REP intervention for the LBAs in order to minimize the challenges faced by the LBAs in the rural districts. It is very important that the challenges of the LBAs are properly addressed. In order to address these challenges, adequate recommendations would be made. Some of these challenges include weak leadership and governance structure, inadequate group trainings, decreased membership, inadequate access to

financial support services, conflicts, gender bias as well as others in the LBAs. Local business associations (LBAs) and their umbrella organizations, rural MSE operators, the REP officials, the Government of Ghana, Public Private Partnership (PPP) institutions and other major stakeholders supporting institutions for the LBAs have a very important role to play in strengthening and grooming the LBAs. Weak leadership structure and inadequate financial services are real issues hampering the empowerment of the LBAs. Another major issue is poor advocacy skills as majority of the business operators in the association cannot fully express their views and opinions. The local business associations that are able to express their views and opinions, their voice is not heard outside the districts due to poor communication and information system in the rural communities to reach the LBAs.

These issues have an effect on the social relationships of some local business associations which leads to irregular attendance of meetings among association members. Some association members stop participating in the growth of the association because of reasons where they express themselves and their voice is not heard. Some lose trust in the leadership system of the association, while some associations have no leadership structure. A good governance structure in the association will promote a lot of activities of the business associations and also enable access to better business support services of their members such as registration of their businesses and certification of trainings received through the business associations. In conclusion, local business association is an avenue for providing more job opportunities for old and new members in the informal sector of the economy of Ghana and most developing countries especially in Africa. It is also a sustainable way to promote more rural MSEs in the rural communities thereby, the need to enable the LBAs for increasing the growth of their members' businesses and also enabling the business environment because of the numerous benefits the LBAs provide for the business operators in the associations.

### **5.3 RECOMMENDATIONS**

The following recommendations are made based on the findings of this study. It is well known that the main aim of joining a local business association is to improve the growth of their members' businesses, improve the living standard of their members or to serve as a voice of a particular business activity. The benefit of joining a local business association to improve the business environment is the main driving force for the formation and sustainability of a local business association. Despite all the benefits and role of the local business associations in the development of the economy of the country and the REP intervention to enable the LBAs, these associations still face some perceived challenges. Some of these challenges are listed in chapter four of this research study. Evidence of weak governance system, poor advocacy skills, poor implementation of association policies and many other issues among the LBAs is of great concern. Therefore, the researcher would like to give the following recommendations which should be taken to minimize the factors that hinder the enablement of local business associations especially in the rural communities.



### **For the Local Business Associations (LBAs)**

- The association leaders should engage all the association members in joint-decision making skills to enable the participation of members in decision making that support the growth of the businesses of the members
- The association leaders should implement policies to benefit the members of their associations to strengthen the association as well as business growth of members
- The association leaders should imbibe a good governance structure to encourage the old members and also attract new members to join the association for effective competitiveness within and outside the community.
- Conflict management is a crucial management skill that the association leaders should get adequate trainings in order to manage the association members peacefully to strengthen the LBAs.
- More women should be encouraged in the association by permitting them in leadership positions in the business association as they are liable to enable increased membership in the association.
- Community development skills of the local business associations should be reinforced such as formation of youth groups, market women groups within the association.

### **For the Rural Enterprises Programme (REP)**

- The Rural Technology Facilities (RTFs) and Business Advisory Centres (BAC) activities depends on the availability of funds to support the LBAs, so the RTFs can be improved in providing adequate financial services and adequate business tools to support these groups.
- Should facilitate the registration of LBAs to increase their level of coverage towards targeting the MSEs for their business growth
- Should facilitate the LBAs and their umbrella organizations to be represented at the district level.
- Should ensure the internal governance of the LBAs to make strong leadership structure in the association
- Increase the number of facilitators in the business advisory Centres (BAC) to transfer adequate group trainings to the LBAs.
- Make adequate provisions for frequent trade shows by facilitating the local business associations leaders to encourage the members to participate in the trade shows to increase access to marketing support services.
- Strengthen partnership with relevant social agencies such as the churches, health facilities to strengthen the promotion and formation of LBAs
- Increase sensitization on the benefits of belonging to a local business association in the REP coverage/ implementation districts in Ghana.
- The BACs and the participating financial institutions should strengthen closer collaboration in ensuring that the MSEs are able to meet and understand the requirements of the PFIs. This can be done if staff of the PFIs are involved in the BAC's training programmes for the MSEs to provide them with information on lending requirements, as well as developing a saving and banking culture

- Should make an innovative practice to facilitate more women who are MSE operators as well as female students on the benefits of belonging to an association to strengthen LBAs within the districts. This will facilitate the REP coverage to target about 400,000 women MSE operators under the REP implementation strategy.

#### **For the Government of Ghana (GoG)**

- Strengthen relevant authorities such as the Ghana Standards Authority (GSA) from the district level to the national level for effective implementation of policies to facilitate more registration of LBAs
- Strengthen strong collaboration with the Bank of Ghana (BoG) and the Rural Enterprises Programme (REP) by making new guidelines that will enable some rural banks that are far away from the REP coverage districts to relocate nearer to the communities so that the REP beneficiaries can have adequate access to funds
- Make new policies that would enforce MSE operators to register their businesses and assign such policies to joining a local business association
- Strengthen the information and communication system through local information centers and FM radio in these districts as some of these districts are in far locations and have poor technological constraints. This will also strengthen partnership between the district assemblies, the media and also the government of Ghana to enable adequate access to information about the challenges faced by the LBAs in the rural districts
- Strengthen public-private partnership to create more development initiative programme to support the LBAs since the REP supported programme may soon phase out by 2022.

In conclusion, researchers should continuously make further research studies on the local business associations in most developing countries particularly in Africa so as to gain more knowledge on the strengthening of local business associations. Similarly, the governments, the non-governmental organizations (NGOs), social agencies like churches, mobile network providers and other LBA supporting institutions should strengthen partnership in order to promote LBAs for rural MSEs in the community.

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## APPENDIX I: QUESTIONNAIRE

CENTRE FOR SUSTAINABLE DEVELOPMENT, UNIVERSITY OF IBADAN,  
NIGERIA

### TOPIC:

**ASSESSMENT OF IMPACT OF THE RURAL ENTERPRISES PROGRAMME (REP)**  
**SUPPORT SERVICES ON THE EMPOWERMENT OF LOCAL BUSINESS**  
**ASSOCIATIONS IN ASHANTI REGION, GHANA**

Dear Respondent,

I am Blessing Omowumi Thomas from University of Ibadan, Centre for Sustainable Development, Nigeria. I am currently carrying out MSc. Sustainable Development Practice research on assessment of impact of the Rural Enterprises Programme (REP) support services on the empowerment of local business associations in Ashanti Region, Ghana. Please. Please endeavour to respond to the questions appropriately and honestly. Your responses will be kept in utmost confidentiality and anonymous to the public.

Thank you for your cooperation.

<b><u>SECTION A: SOCIO-DEMOGRAPHIC INFORMATION</u></b>		
<b>S/N</b>	<b>Question Statements</b>	<b>Responses</b>
A.1	Gender of the respondent	1. <input type="checkbox"/> Male                      2. <input type="checkbox"/> Female
A.2	Position of the respondent in the business	1. <input type="checkbox"/> Sole-owner 2. <input type="checkbox"/> Co-owner 3. <input type="checkbox"/> Worker 4. <input type="checkbox"/> Other specify.....
A.3	Age (as at last birthday in years)	
A.4	District/ Village of the respondent	
A.5	Marital status of respondent	1. <input type="checkbox"/> Single/ Never married 2. <input type="checkbox"/> Co-habiting 3. <input type="checkbox"/> Married 4. <input type="checkbox"/> Separated 5. <input type="checkbox"/> Divorced 6. <input type="checkbox"/> Widowed
A.6	Highest educational attainment	1. <input type="checkbox"/> Graduate 2. <input type="checkbox"/> Diploma 3. <input type="checkbox"/> Secondary education 4. <input type="checkbox"/> Basic education 5. <input type="checkbox"/> No education 6. <input type="checkbox"/> Others specify.....

A.7	Religion of respondent	1. <input type="checkbox"/> Islam 2. <input type="checkbox"/> Christianity 3. <input type="checkbox"/> Traditional 4. <input type="checkbox"/> Other(s) specify.....
A.8	What is the name and sector of your main/ primary business activity?	1. <input type="checkbox"/> Agro Industrial/specify type..... 2. <input type="checkbox"/> Agro Processing/specify type..... 3. <input type="checkbox"/> Farm Based/specify type..... 4. <input type="checkbox"/> Pre-& Post harvest Activities/..... 5. <input type="checkbox"/> Primary Fabrication/..... 6. <input type="checkbox"/> Traditional Craft/..... 7. <input type="checkbox"/> Other(s) specify.....
A.9	Do you engage in another/ secondary business activity?	1. <input type="checkbox"/> Yes                      2. <input type="checkbox"/> No
A.10	If yes in 'A.9' what is the name of the business?	.....
A.11	Do you have a bank account?	1. <input type="checkbox"/> Yes                      2. <input type="checkbox"/> No
A.12	Do you have savings in your bank account?	1. <input type="checkbox"/> Yes                      2. <input type="checkbox"/> No
A.13	How many workers do you have?	.....
A.14	How many trainees do you have?	.....
A.15	When did you start the main business activity?	1. <input type="checkbox"/> Less than a year 2. <input type="checkbox"/> 1 up to 5 years 3. <input type="checkbox"/> 6 up to 10 years 4. <input type="checkbox"/> More than 10years
A.16	Are you a REP client?	1. <input type="checkbox"/> Yes                      2. <input type="checkbox"/> No
A.17	Is the business formally registered?	1. <input type="checkbox"/> Yes                      2. <input type="checkbox"/> No
A.18	If yes in 'A.17' above how long have you registered the business?	1. <input type="checkbox"/> Less than a year 2. <input type="checkbox"/> 1 up to 5 years 3. <input type="checkbox"/> 6 up to 10 years 4. <input type="checkbox"/> More than 10years
A.19	Indicate the main areas where you provide your services to customers	1. <input type="checkbox"/> Outside of district 2. <input type="checkbox"/> Both within and Outside the district
A.20	Do you belong to any association or cooperative group?	1. <input type="checkbox"/> Yes                      2. <input type="checkbox"/> No
A.21	If yes in 'A. 21' above, what is the name of the group?	.....
A.22	How long have you been a member?	Please state number in years.....
A.23	Did the REP/ BAC create the association you belonged to?	1. <input type="checkbox"/> Yes                      2. <input type="checkbox"/> No

A.24	For how long the association have been formed?	Please state number in years .....
A.25	Do you think your group or association will continue to function after the end of the REP/BAC?	1. <input type="checkbox"/> Yes 2. <input type="checkbox"/> No
A.26	How regularly do you attend district meetings in your association?	1. <input type="checkbox"/> Very Often 2. <input type="checkbox"/> Often 3. <input type="checkbox"/> Occasionally 4. <input type="checkbox"/> Not at all

**SECTION B: EFFECTIVENESS OF THE REP SUPPORT SERVICES FOR THE LBAs**

S/n	Question Statements	Responses
B.1	What type of training or assistance has your association or group received	1. <input type="checkbox"/> In Group Dynamics 2. <input type="checkbox"/> In Leadership Skills 3. <input type="checkbox"/> In Advocacy Skills 4. <input type="checkbox"/> In Occupational safety 5. <input type="checkbox"/> In Environmental Management 6. <input type="checkbox"/> Other specify.....
B.2	Have the training or assistance received through your association made your business more profitable?	1. <input type="checkbox"/> Yes                      2. <input type="checkbox"/> No
B.3	Was it easy for you to acquire the skills and knowledge under the training?	1. <input type="checkbox"/> Yes                      2. <input type="checkbox"/> No
B.4	If No in 'B.4' why?	.....
B.5	Have your workers received any type of training from the association?	1. <input type="checkbox"/> Yes                      2. <input type="checkbox"/> No
B.6	What is the effect of the training support on your workers?	1. <input type="checkbox"/> Very Helpful 2. <input type="checkbox"/> Helpful 3. <input type="checkbox"/> Not Enough 4. <input type="checkbox"/> Not Helpful
B.7	Do you have access to cooperative loans from your association for the growth of your business?	1. <input type="checkbox"/> Yes 2. <input type="checkbox"/> No
B.8	If No in 'B.14 above, from where?	1. <input type="checkbox"/> Family and friends 2. <input type="checkbox"/> Bank assistance (loans, credits)



		3. [ ] Other specify.....
B.9	Do you make group savings in your association	1. [ ] Yes 2. [ ] No
B.10	What is the effect of the financial support received from the BAC/ REP to your business?	1. [ ] Very helpful 2. [ ] Helpful 3. [ ] Not Enough 4. [ ] Not helpful
B.11	What are the challenges faced in receiving financial support to promote your business/ association?	1. [ ] Delay in disbursement of loans/ grants 2. [ ] Short time to repay loans 3. [ ] Difficulty in accessing finance 4. [ ] High Interest rate 5. [ ] Others specify.....
B.12	Please rate your level of satisfaction on the benefits you receive from your association	1. [ ] Very Satisfactory 2. [ ] Satisfactory 3. [ ] Fair 4. [ ] Poor
B.13	Please comment on how your association can further support you/ your business to grow	.....
B.15	Do you keep records for your trade (buying and selling) activities?	1. [ ] Yes                      2. [ ] No
B.16	Have you been able to make savings from the income generated?	1. [ ] Yes                      2. [ ] No
B.17	What type of marketing support have you received through your association to develop your business?	1. [ ] Access to new storage/ market facilities 2. [ ] Access to market information and technology 3. [ ] Ease of Rural-Urban movement 4. [ ] Access to business inputs (in terms of desired quality, quantity and timeliness) 5. [ ] Securing new customers or suppliers 6. [ ] Improving delivery and distribution 7. [ ] Other specify.....
B.18	What is the effect of the marketing services you received to the growth of your business?	1. [ ] Very Helpful 2. [ ] Helpful 3. [ ] Not Enough 4. [ ] Not Helpful
B.19	How often do the REP/ BAC facilitators contact you to follow up on your business progress?	1. [ ] Regularly/ Daily 2. [ ] Weekly 3. [ ] Monthly 4. [ ] Yearly 5. [ ] None



**SECTION D: EMPOWERMENT EVALUATION**

S/n	Activities	Extent/ Degree				
		Strongly Agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree
C.9	I pay my dues regularly to the association/ contribute regularly to group savings					
C.10	I am actively involved in decision making on rules and regulations/ policies					
C.11	Can freely express my opinions and views in the association					
C.12	I participate actively to attend/ organise meetings					
C.13	Can speak freely in the association to identify member needs					
C.14	Can speak freely to protest the misbehaviour of relevant authorities					
C.15	Can speak freely to the other members of association for misbehaviours					
C.16	I have access to social protection agencies (NHIS, SSNIT, Churches, Mobile money)					
C.17	In general, disabled persons are actively involved in decision making in the association					
C.18	I can say women participate actively in leadership position/ decision making in the association					

**SECTION E: CHALLENGES TO BUSINESS AND ASSOCIATIONS**

S/N	Question Statements	Responses
E.1	What are the major problems encountered in your business?	..... .....
E.2	What are the new challenges facing your business? (list in order of severity)	Please state ..... ..... .....
E.3	Describe how these challenges were solved	..... ..... .....
E.4	What are the major problems encountered in the business association you belong to? (Multiple responses allowed)	1. [ ] Inadequate assess to training support 2. [ ] Inadequate assess to marketing support 3. [ ] Poor technological constraints 4. [ ] Inadequate assess to memberships needs 5. [ ] Gender bias 6. [ ] Inadequate implementation of association policies 7. [ ] Other specify.....
E.5	What are your future plans for your business?	1. [ ] Change the type of trade 2. [ ] Close it down and find work 3. [ ] Move to a better place 4. [ ] Grow it to a bigger size 5. [ ] Other specify.....
E.6	What further opinions/ ideas would you make to REP/BAC to enable them provide some more innovative and better services to support the association in future?	i..... ii..... iii..... iv.....