

# LIBRARIES

## support local business

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### Background and rationale

**T**he need to support small, medium and micro enterprises (SMMEs) in South Africa is still increasing, with particular emphasis on the geographic spread of small business support to all cities, towns and villages.

The government's SMME support strategy has to be supplemented by initiatives at local, regional and provincial level.

The national grid of Local Business Services Centres (LBSCs), developed between 1995 and 2002, is insufficient to reach all SMMEs in South Africa. Library Business Corners are a natural extension of LBSCs in a cost-efficient, grassroots-driven way.

South Africa has over 2 000 municipal libraries, which could constitute the basis for a dense network of small business information points.

Entrepreneurs and small business operators may not (yet) view libraries as natural information points for their business needs, but they can be convinced that libraries have useful information for small businesses.

South African libraries face critical challenges with respect to their funding and long-term existence: a new perspective about the role of libraries to find new funding sources. LBCs are part of this re-orientation of libraries concerning their target groups and information 'tools'.

### Initial steps or thrusts

In a (new) region LBCs can be initiated either in a bottom-up or a top-down way.

#### Bottom-up initiation

- ❑ Any library in a region can start an LBC initiative as a pilot or a stand-alone experiment. It could be done through a librarian and her team, taking an active interest in the information/literature needs of SMMEs in their vicinity.
- ❑ The initiative could originate with a town/municipality in a province,

with other towns or (ad locum) libraries added.

- ❑ Library services in a region/city/province might also be the initiators of an LBC-move.
- ❑ Organised business (chambers/National African Federated Chamber of Commerce [Nafcoc], et cetera) could also be responsible for the initial push, hoping to get relevant material together in an easily-accessible local library.

#### Top-down initiation

- ❑ Provincial government departments (Economic Affairs/SMME Desk and/or Library Services) could start a provincial initiative.
- ❑ The municipality in the dominant city of the province could be the catalyst (this is what happened in the Western Cape, where Cape Town took the lead and the province followed).
- ❑ Department of Trade and Industry (DTI), National Manufacturing Advice Centre (NAMAC) or national library authorities might play a catalytic role in getting regional initiatives started or expanded.

### Core activities of LBCs

#### Commitment of libraries

- ❑ A particular library (through its librarian/team) will or should come forward and express its interest to participate in the LBC process.
- ❑ A library may also be approached/'selected', but the local, bottom-up commitment and interest is still crucial for eventual success.
- ❑ Interest and/or commitment from a library shouldn't immediately imply entitlement to some grant or other top-down benefits. A library can also 'join' the LBC process at a stage where no launching grants are available (yet). Naturally, without some initial funding it will be more difficult to maintain interest or commitment.

#### Establish an SMME information 'corner'

The crux of the LBC approach is the visible and attractive display of SMME-related information material, that is, posters, books, pamphlets, videos, CDs, posters, et cetera, in a distinct, highly-visible area of the library. The underlying assumption is that entrepreneurs and small business operators are usually not well acquainted with libraries; they may not be inclined to search for material in different shelves or ask for advice. The 'corners' make it easier and more inviting for business people to find useful material. Adults make the necessary associations for themselves when material is 'packaged' accordingly.



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How 'corners' should be set up is left for libraries to decide or experiment - and to discuss with other libraries in the region. Some libraries have ample space for displays, others have very little - that's where the LBC challenge starts!

### *Acquisition of material*

Many public libraries have very little material on small business and local economic development. Thus, the purchase or supply of at least the most popular books, videos, manuals, et cetera, is usually the second major task of an LBC. Such a step can be facilitated through a 'launching grant' (for example, R5 000 per library in the Western Cape), but some of the books/funds can also be mobilised in other ways - for example, through private sector donations or publishers' free copies. The combination of opening a 'display area' and the receipt of new books or small business may trigger interest in the LBC and may already help to attract more interested persons to the library.

### *Dissemination of purchased material*

It is important for the proper handling of library material that new books, videos, et cetera, are catalogued/processed in the proper way, even if they are bought with special grants or donated. This processing through 'the system' (provincial library service: acquisition section) can be time-consuming and may sap the enthusiasm for the initiative. It is, therefore, critical to speed up that process.

### *Special pamphlets or catalogues listing relevant material*

Entrepreneurs uncertain about what they look for or where they could find SMME literature are not likely to consult the standard catalogue of libraries or ask librarians. Thus, it is critical that libraries committed to the LBC process prepare simple, typed/duplicated lists of 'SMME material in the LBC'. These lists could be two-fold:

- ❑ listing all sources alphabetical by author
- ❑ listing all material according to the core topic or theme - like taxation, marketing, business plans, exporting, et cetera, with the core topics arranged alphabetically.

These special source lists should be available as 'take-along' pamphlets for entrepreneurs, so that they can study it at home, consult others and then borrow appropriate material. LBC has compiled a 'core collection' of business-related books and videos in the Western Cape.

If the cost to have copies made is too high for library budgets, local businesses may be willing to sponsor a series if a small advertisement is included in the pamphlet.

### *Hubs and satellites*

It will not be possible for all libraries in a city or region to obtain the same stock of SMME-focused material. One practical way to rationalise funds is to select a few 'central' information places (for example, libraries which are relatively better equipped already) as 'hubs' in a broader grid, with the other libraries interested to participate viewed as 'satellites', linked to the hubs. Where the need is expressed, material from the hub can then be made

available through the satellite (via inter-library loans) or the businessperson can visit the hub-library.

### *IT-links and BRAIN*

Much of the most useful and up-to-date material needed by business people is nowadays available through the Internet and/or through small business support programmes like Business Referral and Information Network (BRAIN), the Ntsika Enterprise Promotion Agency/ Namac-initiated national information network.

It is important that individual libraries and local or regional LBC initiatives give attention to these sources and IT links, even if the libraries are not yet well equipped with IT hardware. Partnerships with other bodies - local chambers, municipalities, educational institutions, et cetera - may help to get access to these sources.

### *Facilitating other small business support activities*

Once a library is committed to help local SMMEs tackle their many problems and challenges, the list of practical steps that libraries might take to be of some help, is almost endless. Just a few examples of tasks tackled by Western Cape LBCs:

- ❑ allow the library to be used for tourism-related small business information, for example, the display of Bed and Breakfast pamphlets
- ❑ use the library as contact point for tender information and other procurement information
- ❑ allow library facilities to be used for small business-related meetings, workshops, exhibitions, et cetera
- ❑ allow training sessions for entrepreneurs to be held in library halls
- ❑ use library information pin-boards to display information on businesses or functions (business cards could also be displayed)
- ❑ collate and make available (for example, in a ring file) information about other locally-available SMME support programmes, with application forms, et cetera, in the file(s)
- ❑ use the LBC web site and **Corner news** to spread information about available SMME support (refer to regional LBC web sites below)
- ❑ train librarians/library staff in the broader topic of small business needs and support policies/programmes in South Africa.

### *Regional LBC web site(s)*

Once several libraries have joined the LBC process in a region, city or province, communication amongst these libraries becomes an important issue, with the Internet and a (regional) web site possibly the most cost-effective way to communicate. Procedures will have to be tailored to suit each area.

### *Marketing LBC services*

The very existence of informational material and an LBC in a particular library will not immediately be known



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to business people in the neighbourhood of that library. Deliberate steps have to be taken to propagate or market these services. Relevant steps include:

- ❑ arranging an opening function or launch of the LBC
- ❑ distributing the literature list (see section on *special pamphlets*) in the local business community
- ❑ displaying posters in the libraries actively participating in the LBC process
- ❑ spreading information about LBCs via provincial small and medium-sized enterprises (SME) desks
- ❑ arranging other high-profile functions related to SMEs in the library
- ❑ getting reports on the local LBC into small business-focused media like **Big news for small business**, local radio programmes, et cetera
- ❑ have the local LBC team participate in small business conferences/exhibitions, et cetera.

## Funding

Notwithstanding the initial close links of the LBC Western Cape with the City of Cape Town and Provincial Government, it is crucial to accept the principle of funding diversity as a cornerstone for the LBC process. No single source will be available for more than a few years.

Channelling start-up grants to the initial, selected libraries is a very effective way to start a regional LBC initiative. Funds for 10-20 grants to the value of R5 000 could come from city municipalities or provincial (economic affairs) departments - probably far easier than through library service establishments.

Funds needed for the administration of the process in a region would be modest ( $\pm$  R500 000 per annum), but critical for the rapid unfolding of a regional thrust. Such funding will have to be negotiated with the provincial authority or the municipality of the dominant city. Follow-up funding sources could include:

- ❑ corporate sponsorships (including 'Adopt an LBC')
- ❑ donation by publishers
- ❑ grants from DTI/Namac/BRAIN or other national bodies
- ❑ foreign (ad hoc) grants, possibly tied to particular programmes or target communities/libraries (for example, in low-income areas)
- ❑ support from organised business
- ❑ generation of revenue via functions, rentals of facilities, et cetera
- ❑ accreditation and inter-library cooperation.

Where public funds are utilised for grants to libraries the need for specific performance criteria, minimum standards, accreditation, et cetera, will inevitably come up via the different treasuries and controlling bodies.

Further communication between regions will have to help streamline these processes.

## Operational issues

### Partnerships

The LBC process is a bottom-up initiative, and its success is based on the most effective utilisation of partnerships and

the support from cooperating bodies. This applies to partnerships with municipalities, provincial and national government departments and statutory bodies (active in SMME support), parastatals, private sector organisations (chambers, sector associations), professional bodies for example, Library and Information Association of South Africa (LIASA), universities and other higher/further education and training bodies, leading corporates, SMME support agencies, non-governmental organisations (NGOs), and foreign aid agencies.

Similarly, the success of individual LBCs depends to a great extent on their willingness and effectiveness in cooperating with other LBCs. Sharing experience - about successes and failures - is the crux here!

### Controlling bodies

The particular structures may differ in the various regions. In the Western Cape the following apply:

- ❑ LBC Western Cape is a Section 21 company, with a board of directors and an executive committee (Exco)
- ❑ the manager/coordinator reports to Exco
- ❑ the Annual General Meeting (AGM) reports back to all stakeholders
- ❑ two half-yearly plenary sessions with librarians to report on successes and challenges
- ❑ regular 'training' or information meetings to tackle practical issues
- ❑ LBSCs attend the regional library forum meetings held by the Western Cape Provincial Library Service
- ❑ close contact is maintained with LIASA and other professional initiatives in the library as well as small business spheres (for example, BRAIN, Ntsika, Namac, et cetera).

### Training of librarians

We are fully aware that many demands for issue-specific information reach libraries - for example, the propagation of HIV/AIDS information, adult literacy initiatives, career awareness, et cetera (so-called 'new functions' of libraries). Yet, we have found many librarians to be enthusiastic about the small business field and what libraries could contribute.

In order to create an awareness of entrepreneurial challenges and needs amongst libraries, training programmes have been designed by the Foundation for Economic and Business Development (FEBDEV). Such programmes should be adapted for other regions - ideally in cooperation with local business training groups.

## Maintaining momentum

To continue and expand the LBC process we will have to maintain momentum on three levels.

### Individual libraries

Enthusiasm of local librarians and library users, and the support given to libraries from other bodies are essential (as mentioned below).

### Regional/metropolitan authorities

Continued involvement of municipalities, provincial authorities and professional library services is essential.

### *Cooperation at national level*

Here we look towards DTI, Ntsika, BRAIN, Namac, organised business, library authorities and professional bodies, networks of LBCs and local/foreign donor consortia as well as major corporates, academic institutions and information technology developers.

This framework only provides the bullet points for presentations tailored to the needs of different interested parties. The preparation of a detailed 'manual' by LBC Western Cape can be negotiated.

For more information contact Gail Jacobs, David Gretton, Wolfgang Thomas or Peter Underwood of the Cape Town LBC team.  
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*Note: The information in this article is based on the experience of LBCs, Western Cape (1997-2003).*



## **Library Business Corners**

### COMPANY PROFILE

#### **Vision**

- ❑ To create a highly accessible small business information network through the utilisation of existing public libraries.
- ❑ To satisfy the information and self-study needs of (Western Cape) entrepreneurs and small business operators.

#### **Mission**

Our mission is to expand the network of public library-based local business corners to reach all the corners of the Western Cape and to have each Library Business Corner (LBC) become an active partner and facilitator in the small business support process.

#### **Core activities of LBCs**

- ❑ Raising an awareness about self-employment as an option to generate income and jobs.
- ❑ Make libraries a user-friendly information point for existing and prospective small business entrepreneurs.
- ❑ Stimulate capacity amongst entrepreneurs.

Library Business Corners was formally registered as a Section 21 company in April 2001. Funding from the City of Cape Town and the Provincial Government in the Western Cape are channelled to create access points for small business practitioners, LBC sources and disseminates relevant business-related information to entrepreneurs through public libraries in the Western Cape. Auxiliary activities include training and referrals to business support development services.

Currently there are 74 LBCs in the Cape, 43 in Cape Town and 31 in Western Cape provincial towns. There are

already many more libraries that have adopted the LBC concept but have not yet been fully incorporated into the support programme. There is general consensus in the SMME-support fraternity that more effective access to business information can directly benefit start-up entrepreneurs and 'survival enterprises'. In as far as this helps to create jobs it also alleviates poverty. LBC is the ideal local economic development tool.

An LBC will house a collection of books, videos, newspapers, journals, periodicals, brochures, pamphlets and clippings, placed where possible in a designated area or 'corner' within a library. Librarians are requested to arrange the material in the most appropriate manner to ensure that clients have easy access to business material.

South Africa has over 2 000 public libraries, which could evolve into a dense network of small business information points. Increasing interest from other provinces in the Cape initiative has resulted in the LBC presenting the concept in Mapumalanga, Gauteng and the Eastern Cape. Through the Library and Information Association of South Africa (LIASA) conferences, the LBC team has been presenting the concept to librarians from South Africa and beyond. The possibility of a 'franchising' approach to the expansion of LBCs nationwide is currently considered.

#### **Awards**

LBC won a Silver Award from the Impumelelo Innovations Award Trust in 2004. This is attributed to the sterling work done by librarians and due to LBCs being replicated in Mapumalanga, Gauteng and the Eastern Cape.

LBC has been awarded the top star, a two star rating, through Services Seta for the implementation of Total Quality Management System (TQM).