



Project Plan Summary

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Project Plan Summary

This self-funded project plans to evaluate the *financing and business development services needs* of small and medium enterprises (SMEs) in Senegal and develop an approach to fulfilling those needs. The intention of the project is to provide an effective and mutually beneficial link between SMEs, financial institutions, and business development services (BDS) providers. In Wolof, the word used for this type of linkage is *boole* - thus the name of the project.

The author hopes to accomplish the following goals with this project:

- ▶ **Encourage the further development SMEs in Senegal**
- ▶ **Highlight successful SMEs in Senegal and some of the opportunities available in Senegal's business environment**
- ▶ **Build upon author's skill set in SME development that would aid author in securing post-MBA employment**
- ▶ **Promote at Thunderbird an alternative for integrating the business environment of African countries into the School's curriculum**

SMEs need long-term credit, other financial services and BDS that would further grow their business and create employment for others. In Senegal, the lack of adequate financing and business development services for SMEs is termed "the missing link."

The onsite study will be conducted over a four-month period from September 2005 to January 2006. Interviews will be the primary method of gathering information from sample SMEs and some of the financial institutions that may currently be providing some services to SMEs. The author will also interview some of the firms that supply BDS in Senegal.

The author hopes to interview as many SMEs as possible based on the following selection criteria:

<i>Criteria</i>	<i>Threshold</i>
Minimum number of years in business	2
Range for number of employees	5 - 150
Minimum amount of annual revenue	25,000,000 CFA (approximately 50,000 US dollars)

To develop a set of survey questions and analyze the results of interviews, the author plans to employ hypothesis testing. The hypotheses that the author will attempt to test include:

- ▶ **SMEs would like to expand current activities and further grow their company**
This hypothesis intends to examine if there is willingness on the part of SMEs to grow their business. Does the lack of development of SME mainly correspond with the lack of ability to grow?
- ▶ **SMEs most beneficial source for continuous external financing is a financial institution**
This hypothesis intends to examine other sources of external funding for SMEs and the reliability of those sources.
- ▶ **SMEs are unaware of the availability and benefits of business development services**
This hypothesis intends to examine SMEs' thoughts on BDS in Senegal and their willingness to seek assistance from BDS providers.