

# SOMALI BUSINESS REVIEW

Publication of SIMAD University

JANUARY-JUNE 2018

*Challenges facing women  
entrepreneurs in Somalia*



VOL11-ISSUE 1,2





PAGE	CONTENTS
3	Challenges Facing Women Entrepreneurs in Somalia
6	The Business of Selling Art
10	The Impact of Drought in Economic Sector in Somali
12	Youth Entrepreneurship Development
15	Framework of Electronic Health Record System
23	Realizing the Sustainable Development Goals: How can we make the world more Sustainable
26	Entrepreneurial mindset
30	Difference the Accountant and Book keeper
32	Financial Literacy and Investment Decisions

## EDITORIAL TEAM

### Chief Editor

Nasra Ahmed Mohamed

### Operation Editor

Lul Farah Abdullahi

### Editorial Board

Dr. Amina Omar Mohamud

Dr. Mohamed Ibrahim Nor

Dr. Ali Yassin Sheikh Ali

### Design and Layout

Sahal Mohamud Hassan

## EDITORIAL

Entrepreneurship is an important opportunity for young people, and, promoting youth entrepreneurship can be a great strategy to create jobs and advance youth livelihoods and their economic independence. Women entrepreneurs in Somalia need to have perseverance and intelligence as their allies. There is a need to develop the entrepreneurship talent of our women, also, it is a significant success factor for the small and medium enterprises to develop entrepreneurial mind. Likewise, after starting the businesses, Small businesses require close tracking of operating cost and cash flow. It is important for business owners to make sure their investments are handled, which includes recording transactions and assessing or processing data.

Meanwhile, Somali has lagged behind the rest of Africa with regard to artistic business growth, but currently there is a ray of hope for recovery and restoration of social art works which might give optimism to Somali social artists in polishing their artistic skills and marketing the essence of art industry in Somalia.

Finally, this SBR issue address on Women and youth Entrepreneurship, Selling social art, Financial literacy & investment decisions, Drought in Somalia, Sustainable development goals and Electronic Health Record.



A photograph of two women sitting at a table. The woman on the left is wearing a pink hijab and a pink long-sleeved shirt. The woman on the right is wearing a blue hijab and a blue long-sleeved shirt. They are both smiling at the camera. On the table in front of them are several items: a large silver thermos with a red and white pattern, a red plastic thermos, a blue plastic thermos, a green plastic cup, and a white plastic cup. The background is a wall with orange and yellow tiles.

# CHALLENGES FACING WOMEN ENTREPRENEURS IN SOMALIA

MOGADISHU, SOMALIA

*Layla Abdullahi Osman*

In Somalia, the entrepreneurial opportunities are few but in my best knowledge, there are inadequate previous studies carried on it entrepreneurial opportunities for women in particular reference to Somalia. However, there are some academic articles and journals that highlight the study context. In Somalia, the entrepreneurial practices, especially among women, have in most cases been informal as a result there is a gap between the knowledge and real practice in business activities.

The problems of traditional entrepreneurs were among the risk sharing of the Somali community in long-lasting conflict but nowadays the motives for starting and holding a business are high, especially among Somali women entrepreneurs. However, many of the Somali women entrepreneurs have some challenges to become economically independent from their families.

Many women have tried to work for other people or continue working as a salary based employee. However, low or few job opportunities within the areas they live in, this makes it difficult to raise money to start their own businesses. For those who have inherited businesses from their family members like father and those who have managed to create their own business, there are still many challenges facing them.

Many women in Somalia have a passion for entrepreneurship, but they don't have the platform, experience, or the mechanism to venture into new ideas and unlock their entrepreneurial talents. Many women have a passion for business, entrepreneurship, and success, Somalia as a country faces complex challenges.

These challenges include a pitiable economic participation by women, which inhibits the country's economic development and creates a high dependency on the working population. Despite constituting a bigger percentage of the population in Somalia as per the Population Estimation Survey of Somalia, women entrepreneurs have started businesses and have gone into self-employment but most women entrepreneurs are unable to manage successful enterprises.

Even without skills and capital to manage enterprises successfully. However, the banks apply policies that impose high restrictions on those who need loans, also some financial institutions have taken advantage of these vulnerable women by investing themselves using the ideas forwarded to them.

This has created a situation where women no longer trust funding institutions for their entrepreneurial ideas. Most women living in the various regions in Somalia continue to experience high levels of poverty and poor living conditions. The women often find it difficult to engage in business due to lack of capital, or lack of collateral to secure loans. This discourages the women who have business ideas that could be successful, but they have little or no financial ability to change their ideas into action.

Women entrepreneurs operating in Somalia are faced with numerous challenges in their quest to pursue entrepreneurship as an option to meaningful employment and earn a decent income for sustainable development and wealth creation. The Main obstacles to establishing a viable business in Somalia as a women entrepreneur include; lack of suitable business premises, insecurity, poor infrastructure, lack of credit facilities, inadequate capital to venture into business, high rent for the most business premises as it doubles almost every six months depending on the status of the market.



Moreover, there is increased competition which prevents women and small business owners bidding on great business contracts or any other lucrative project. The market is dominated by large financial institutions that monopolize everything this greatly affects women entrepreneurs.

Furthermore, there are high rates of loans due to the high requirements of the Banks, and the other financial institutions across the country. It is also hard to get a business license that operates across the country as the regional states do not accept permits issued by the Federal Government in Somalia.

### Conclusion and Recommendation

Thus, for the country to overcome these challenges, the government must take several steps. The government should draft and pass a patent law that can create an environment for investment and growth for women and this can be done through education and infrastructure. There is also a need to establish strong institutions and laws that work for most people, rather than just elites and this approach can pave way for women entrepreneurs.

Women entrepreneurs in Somalia need to have perseverance and intelligence as their allies. There is a need to develop the entrepreneurship talent of our women. This has to pave the way for women entrepreneurs by giving them the necessary mentorship they need, to realize and utilize their talents and energy.

It would have been better to reward the massive numbers of women who have the entrepreneurial spirit. The government could also have removed the economic obstacles that block women and the entire community from cultivating their potential and capabilities to create their own sources of income that can help improve the nation's economy.





# Tacbadaa Tanaada.

## THE BUSINESS OF SELLING ART

MOGADISHU, SOMALIA

*Nur Hassan Ahmed*

### INTRODUCTION

Despite social art has been a successful business around the world; it has largely been overlooked in Somalia. Political cartoons that are widely published on news websites and newspapers overshadowed the essence of social art. This is unfortunate because social art works provide an opportunity to extend theories further into the realm of symbolic and social values. Considerations are not given to the artist, paintings, the industry and its lovers, as a result, fewer people have the purchasing motivations, and the aspects of social arts creativities.

Social of art explains artworks and artistic practice by means of the social, political and economic contexts within which works were conceived, produced, perceived and used. The term social art came to refer to the various theories that accounted for the historical appearance of works and their political environments during the twentieth century.

The social art is primarily concerned with an artist's response to the values and ideas of society, which in turn are determined by the socio-economic and environmental landscape. The social art is by and large the study of a society and its determinants. From this perspective, the art must study the complex relation of the art to the situation; especially the traditions of representation available to him. Within the sphere of the social art, the means are as significant as the end. As far as arts promotion is concerned a wide variety of 'conceptualist' explanatory models should be developed to account for the socio-historical factors that influenced artistic production

To be acquainted with a culture very profoundly, it is very essential to know and understand its aesthetic elements, which prove a country's pride, identity, economy, employment and so on. A country's aesthetics include its arts, folklore.

Social arts can play a vital role in cultural development of a country. It has been said that, unlike any other elements of culture, the social art was not in the focal spot in Somalia's culture as in the other countries. Ordinary Somali urbanites were not aware of and were not interested in the art till the 1970s at the infancy of Somalia's revolutionary socialist military regime.

At that time amongst legends of Somali artists included the aged artists Hussein Sidow (Shik Shik), Gaxtaani, and Aways Abba. After that time, few intellectuals, art connoisseurs and art lovers including a large part of the educated people felt the need for the collection of, exposed arts and some were found eager to do business in this area. They used to display their arts at Lido beach where foreigners and few art lovers would glance for buying as souvenirs for hanging in their homes.

### **The Essence of Social Art**

The essence of social art is enhancing human capacities in the light of social complexity; drawing upon its successes in raising artistic awareness for the masses of many countries and societies throughout the world, social art brings state of the art discoveries in a human capacity building to social transformation. Thus, it seeks to build a terrestrial society based on the principles of sustainable development, human-based needs and values, universal human rights,

environmental protection, social justice, and the sovereignty and dignity of all people.

Social Artists are leaders in many fields who bring the same order of passion and skill that an artist brings to his or her art form and to the canvas of our social reality. It is within the deep work of Social Art that we can access the inner capacities to align ourselves with the society's higher purpose and future dreams.



In fact social artistic is a professional whose craft could be said to be that of conscious evolution. We are living in the time of a choice point for an acceleration of the evolutionary or devolutionary process, the capacity to direct enhancement of ourselves, the country, and all its creatures and forms. This profession addresses the awakening of people who agree to this challenge and who have the maturity, initiative and vision as well as a passion for making a difference in the whole domain of human affairs. It requires considerable courage for what is being formed is possibly a movement as profound as it is outreaching in its implications for proactive social evolution.

### The Need for Social Artists

Artists begin to help people, citizens and leaders alike, to bring new mind to bear upon social change. In this way it is hoped that they can rise to the challenge of our times and ferry ourselves across the critical time. The works of social artists are evolving and open-ended, striving to provide a dynamic balance between inner understanding and outward expression. A true social artist is one who brings the focus, perspective, skill training, tireless dedication and fresh vision of the artist to the social arena.



Thus the social artist's medium is the human community. He or she seeks innovative solutions to troubling conditions, and is a lifelong social reformer striving for insights, skills, imaginative ideas and deeper understanding of present-day issues which society struggles to overcome.

### Art industry in Somalia

Somali's art industry ghostly exist, as war has torn the country apart and its citizens are lacking their basic needs consequently arts being luxury goods, the tendency to think about it or purchasing artistic portraits is few and far

between. The visionary fountains of arts regarding to Somali artist's talents are still unexplored; moreover designs and illustrations entailed as a parallel of few artistic exhibitions. The seventies were the prominent times for Somali arts evolution.

Arts in Somalia had been subjected to three movements: the writing of the script of Somali language campaigns of 1972, the annual 21st of October military parades for birth of the revolutionary socialist regime in 1969 and showcases of its public orientations like national voluntary services. The contemporary social artists who emerged lately include: Nur Hussein Sidow shik the son of Somali's renowned artist Hussein Sidow, Muhyadin Sharaflow, Abdi Gaab, Ahmed Ibrahim (Lion arts), Amin Amir, Dayib, Mohamed Shair, Abdiqadir Aweys ( Happy arts ) and Elmi Dhere ( Iftin Arts) and other anonymous amateur young artists .

### Pricing of Social Arts

Here in Somalia few people value social arts and enjoy buying it, and yet they do not buy simply understanding the phenomena and motives behind arts, but for the grounds of decorations inside their work places. .There is the material of art goods and manpower needed for the production of the artwork. This can be canvas, paints, tools and other materials. The profit is easy to calculate by comparing the price



change between buying and selling the artwork in the art galleries or art exhibition rooms.

The traditional perception regarding art especially in Somali people's minds is devoid of monetary attachment even though arts have been considered as investment in the international arena as early as the seventeenth century. On the broadest level, the style of the art work affects the selling price. Like the other countries, contemporary realism of art values is less considered in Somalia. Other art-crafts (high art work in craft materials like clay, glass, or fibre) are cheaper than sculpture and painting

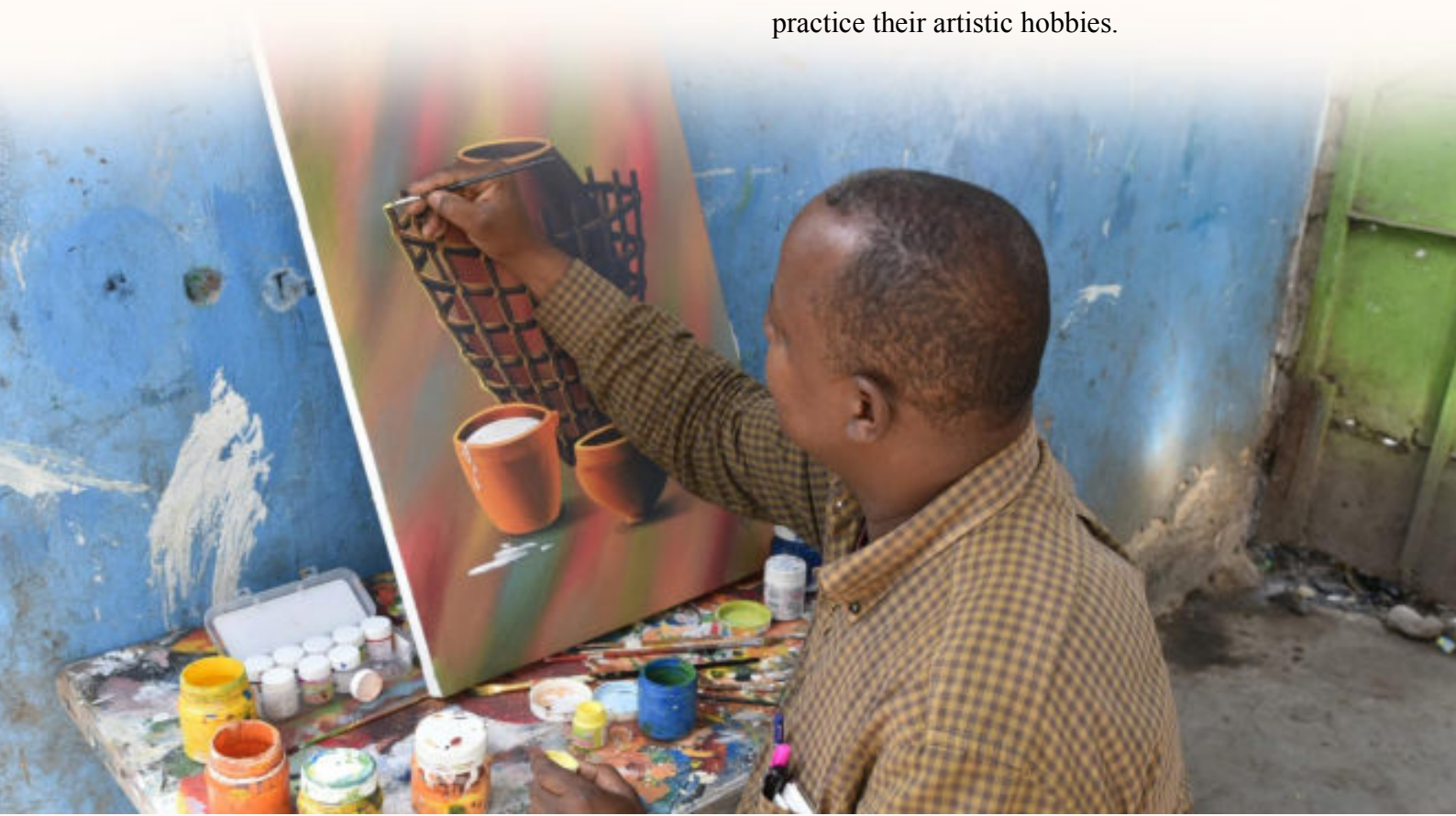
In Somalia there is no standardized pricing for art works as the vast majority of the populations are not art lovers or artistic, in consequence this has brought about the reluctance of purchasing art works once produced even if artists paint vivid portraits, they are sold in lower price compared to other countries in East Africa.

When I asked Nur Hussein Sidow (Shik Shik) to his knowledge the highest price ever auctioned the work of Somali artist in recent history inside Somalia, and he replied “\$1000” USD he added that the usual price of artworks in Somalia is between \$45 and \$150. Moreover there are no such immense art galleries in the country that art work can be exhibited.

### Conclusion

Somali has lagged behind the rest of Africa with regard to artistic business growth and this has been the bitter consequences of ongoing conflict, political and social unrest which the country has been undergoing for almost three decades.

Currently there is a ray of hope for recovery and restoration of social art works which might give optimism to Somali social artists in polishing their artistic skills and marketing the essence of art industry in Somalia in which social artists might not only make a living, but also enjoy and practice their artistic hobbies.







# THE IMPACT OF DROUGHT IN ECONOMIC SECTOR IN SOMALI

MOGADISHU, SOMALIA

*Abdullahi Farhan Abdi*

## INTRODUCTION

**D**rought is one of the disasters that human faced and will face in the long run, drought is usually said when wet places become dry, and animals start to die for lack sack of water, for instance the rain didn't fall as expected. This kind of situation is so-called drought. Somalia is one of the countries that drought happen mostly and has had an impact on their life, so I hereby telling you the effects of drought on the Somali economy, especially the livestock.

As we knew Somalia's economy is dependent on life stocks (goats, camels, cows, and sheep) they mostly market to Arab countries especially, Saudi Arabia in two times per year mostly. These two times are two EID Muslims have EID AL ADHA and EID AL fidhri because many Muslims from different countries in the world are heading to the pilgrimage. Somalia's are affected many droughts, but the last one was totally different from past once, because this

effected wholly country nowhere the drought didn't affect. The last drought is named **"SIMA"** because of her affection of wholly country, in the Somali language the word **"SIMA"** means equal, so the name of 2016 drought is derived from how people feel the drought wholly?

### How drought-affected Somali life stock

The droughts affected by Somali territory are countless and there are many droughts happened Somalia like Dabadheer, Cagwayn, and Xaaran macuna the last drought was one of the worst droughts happened Somalia and caused death of half of Somali livestock and dead of Somalia men, women and children. Some estimation is saying many postures 80% of their livestock went out and caused the death of many areas good for Somali livestock species. Most of Somalia's life is dependent on the livestock. People live in cities or town get affected by the drought because of one of the two ways. first the only way that the country earn cash from foreigners is to export his livestock to foreigner



and this exportation of livestock from Somalia to other get income many Somali's who basically in the cities and second is when the person is in prosperity and when he/she include in circumstance they don't use what they have in same way when they are prosperity so ,this causes the transactions in markets to become low although, some districts in the country are highly dependent than other cities . The following are the main effects of drought on Somali livestock

- ✓ Increase the death of livestock species
- ✓ Decrease the productivity of livestock (report from Somaliland and FAO)
- ✓ Malnutrition
- ✓ Diseases

### Effects on livestock dependents

Many families are dependent on livestock and the drought affected them severely and the main effects on the dependents families are the following

- ❖ Malnutrition: people this is nomadic people because their routine life is dependent on the production from livestock, this production can be their meat, milk, and market of them.
- ❖ Poor terms in the market: the livestock has no good terms in the market also, they can't exchange what they used to be.
- ❖ Massive loss of all categories of livestock (report from FAO and Somali land)

- ❖ Sharp increase indebtedness among poor families
- ❖ Displacement to urban centers and IDP camps (report from FAO AND Somaliland)

### Solution about drought issue

The solutions to this are two kinds:

- ❖ Current solution: government should help these people who their livestock died and should give them food security and those who become IDP should give them anything that they currently need like shelter, water, food and etc.
- ❖ When we talking about the long run solution: Somali's should think the best way they survive their livestock and government should make areas or forests that are not grazed other times except when drought came, this helps animals get what they feed and they will be better than and more survive than today.

### In conclusion

Somali's livestock is important and should be care about them like, we care and protect our culture, because Somali's society mostly depends on livestock as food, on other hand people are interrelated to their economic perspective, so if Somali's don't think how they care and protect to their livestock no one goes to protect them and many Somali's will face tragedy.







# YOUTH ENTREPRENEURSHIP DEVELOPMENT

MOGADISHU, SOMALIA

*Nasra Ahmed Mohamed*

## INTRODUCTION

**E**ntrepreneurs are the people who have the ability to identify, and, find the opportunities that the business has; also, they have the capability to turn challenges into opportunities. One of the main benefits of entrepreneurship is that it creates employment for the youth who owns the enterprises and, it boosts the economy of the country by employing a large number of individuals.

In Somalia, significantly large populations in the society, over 70% of the population are youth, it is important to utilize this huge number of society and if some of them become entrepreneurs it can help to break the poverty from its roots. Promoting entrepreneurship and enterprise creation is high on the policy agenda of almost all countries in the world, as successful enterprises generate additional employment (Haftendorn & Salzano 2003:121). Young entrepreneurs have essential role because, they contribute concurrently to both economic growth and unemployment. As the

youth are huge number of the population giving the innovation will be a resource and will bring a technological advancement.

In the developing world, a constraining dilemma for youth is that they usually start job before they progress skills valuable to their employers, trapping them in a cycle of low-level employment, and, lack of access to additional educational and financial opportunities. It has been estimated by the International Labor Office (ILO) that about 88.2 million young people between the ages of 15 and 25 are unemployed (The Global challenge, 2009: 36).

One of the major challenges facing governments today is the reduction of youth unemployment (Schoof, 2006: 97). Let alone Somalia over which a major number of the youth are unemployed, one of the major problems is that the youth do not have access to the job-relevant education needed to attain these positions. A great number of people realized the benefits of microfinance organizations but unluckily the programs are not ready for youth. For example,



USAID has recognized microfinance provision as one of six effective practices to bring youth from readiness to access in terms of building youth capacity for sustainable livelihoods. Unfortunately, services that are widely available to adults such as microfinance organizations (MFIs) normally do not serve youth. MFIs typically will not lend to those under the age of 18, due to the higher cost and risk (McNulty, 2005: 76).

In Somalia, there is a huge number of unemployment that the young ones are facing, but starting their own businesses and creating cooperative is what can help the youth to escape this situation, which can bring back the alienated and, marginalized young people into economic mainstream. It can also have a direct effect to the other youth the new entrepreneurs hire fellow young person, looking on like this entrepreneurship that will the society's wellbeing and their psychology. When the youth have business, they provide the society with valuable goods and services, trying every youth to have latest product creates competition in the product market, there by bringing gains to consume.

One of the main things that can help the youth entrepreneurs to become their dreams into reality is the access to finance to whatever channel they can get either through government, grants, loans and etc. Access to finance specially grants, have a significant effect to the growth of the youths' enterprises, also the grants

encourage the youths by getting their independence to practice their own ownership, (Nasra, 2017). Solomon (2014) notes that every business enterprise commences as an entrepreneurship start-up. World-renowned ventures like Nike, Microsoft, IBM all started and entrepreneurship start-ups. Youth usually faces challenges particularly when they have the idea to start a new businesses and did not have the operational capital of the business, lack of business capital to the youth is not only unique to Somalia. Globally, lack of access to entrepreneurship finance is a major challenge youth business start-up.



Equally, Renko et al., (2012) argue that the success of youth business start-ups in in the ability of the youth entrepreneurs to access financing that will enable them to sustain testing of their business prototype models, and concepts till they have a working combination that is a viable, profitable business. The purpose is to give entrepreneurs a way to practice their innovative idea into the market place that will help their livelihood.



The cultural, and, social backgrounds influence an individuals' lifetime, they approach to life, and likewise they affect entrepreneurs' activity and its culture. Gibb (1988) defined an enterprise culture as *“set of attitudes, values and beliefs operating within a particular community or environment that lead to both “enterprising” behavior and aspiration towards self-employment.”*

The cultural backgrounds of the society can definitely affect the entrepreneurial activity as agreed on researchers, a cultural environment where the youth entrepreneurs is respected can boost the innovative idea of the individual, and, can encourage the youth to test their ideas for different times.

Educating the youth to entrepreneurship helps to boost the skills and capabilities of the entrepreneurs in their paper they present a number of action-based activities at five Swedish universities. The cases show that entrepreneurship education focuses less on teaching individuals in a classroom setting, and, more on learning-by doing activities in a group setting and network context. Thus, educating and training greatly supports the growth and the survival of the entrepreneurs. A well trained entrepreneur was portray most of entrepreneurial traits. These traits were then being translated into business growth with the following results; satisfied customers demonstrated by repeat buying. Also, customer royalty and increase in sales volume, well-kept business records, satisfied workers, and,

reduced labour turnover, and finally increase in capital investment and employment creation.

Today, entrepreneurs face several administrative burdens including businesses registration, tax administration, obtaining investment approvals and business licenses, and so forth. These issues are particularly time and cost consuming for young entrepreneurs, because the young entrepreneurs do not have experience to these burdens. Minimizing and simplifying regulatory and administrative procedures, as well as maximizing the support needed to comply with them, will make it easier for young people to start-up and run their business.

### **Conclusion,**

Entrepreneurship is an important opportunity for young people, and, promoting youth entrepreneurship can be a great strategy to create jobs and advance youth livelihoods and their economic independence. Youth entrepreneurship development can be supported through financing, educating, developing society attitude towards youth, and having a supportive administrative & regulatory frameworks.







# A PROPOSED FRAMEWORK OF ELECTRONIC HEALTH RECORD IN UNDERDEVELOPED COUNTRIES: SOMALI HOSPITALS

MOGADISHU, SOMALIA

**Zamzam Ahmed Jele**

## INTRODUCTION

Health Information Systems (HISs) is any system that can receive, store and transfer, report and enable the use of necessary health-related information of individuals and the activities of healthcare organizations (Karuri, Waiganjo, & Many, 2013). It is an important system that contains tools to support the administration of health care services delivery in developed and underdeveloped countries. HISs are useful systems to assess the health needs of society and plan the implementation of health interventions (Azubuike & Ehiri, 1999). There are various types of health information systems, among these types is the Electronic Health Record (EHR) System (Beaumont, 2011).

Electronic Health Record (EHR) is a systematic collection of related health information about patients. It typically contains all the information about the patient's medical histories, complaints, examinations, diagnostic results, treatments and

medications (Menachemi & Collum, 2011). This record is designed to find accurate and up-to-date information about the patient, facilitate the access and share health data of the patient across the continuum care of healthcare delivery organizations for diagnosing, reducing medical errors and caring about the patient's safety. Meanwhile, this record is very important to reduce the costs used in the manual process and the duplication of data (Mammen & Weeks, 2014). Healthcare centers such as hospitals use EHRs to keep the overall information about patients.

Most of the developed countries are enjoying with well designed and developed EHRs that provide accurate and complete information on time. The United Kingdom, European Union countries, United States and Australia are the leading countries in the world for adopting Electronic Health records (AL-ASWAD, BROWNSSELL, PALMER, & NICHOL, 2013).



Besides the developed countries, EHRs had been successfully implemented in different developing countries around the world. These countries include Malaysia, Korea and China (Mediterranean, 2006). Likewise, there are many Asian countries including South Korea and Singapore that are trying to adopt EHRs in their hospitals (Yoo et al., 2012).

In 2017, the United Nation reported 47 countries recently declared as least developed countries (LCDs). LCDs countries are documented as low-income countries which have a lot of problems whether economic or social development (United.Nations, 2017). Meanwhile, to our knowledge, information on the electronic health record system is not available in all the listed underdeveloped countries, because most of these countries are still using manual recording method. Thus, due to the lack of availability of information related to the EHR system in underdeveloped countries, we reviewed the existing framework of electronic health record systems in developing countries. The following table below shows the list of least developed countries (LCDs).

In contrast, there are many less developed countries not able yet to implement Health information systems specifically electronic health record. Generally, the least developed countries are trying to get quality care from their uncompleted healthcare resources and also needs for appropriate health information. But on

the other side of the “digital divide”, there is a gap effect in low-income nations having inadequate health information to successfully manage their health systems (Tierney et al., 2010). While 24 least developing countries have shown to be hard to improve HIS and it seems as vital to strengthen the health system in developing countries due to the organizational health, some complexity, lack of infrastructures and fragmented their own HIS. Therefore, it’s important to develop HIS and optimal use of Electronic health record to enhance healthcare facilities in developing countries (Braa, Hanseth, Heywood, Mohammed, & Shaw, 2007).

A health system is generally explained as organizations, individuals, and resources which are determined to provide health service for the people needed. It is also called a health care system which consists of service delivery, personnel, information, outcomes and materials, technology, financing, and control. However, most underdeveloped countries including Somalia did not meet a standardized health system.

Somalia had a good public health system which is basic in Africa before the instability and violence. The military administration systems, there are numerous healthy sectors which provide free health care to the community. When the central government of Somalia breakdown all public health services was collapsed. However, public health sectors are



increasing because of some development towards stability and security in some regions in Somalia. In Somali, approximate there are 846 healthcare centers which consist of seven medical appointment hospitals, 27 district hospitals, 248 mother and child health clinics and 544 health centers. However, the lack of effectiveness of public health sectors had result significantly with the increase of private health systems. In Somalia, most of the healthcare systems are a private organization which provides health services (Warsame, Handuleh, & Patel, 2015).

However, these institution faces a lot of problems including insufficient the doctors and health staff in hospitals, the limited number of hospitals and clinics, absence of medical training, poor system and so on. The poor system means that health professionals do not have an effective system that facilities their services. In addition, the most health care centers in Somalia used manual documents to record the patient's information and the hospitals in the country do not properly implement EHRs to keep their patient's records yet. There is a various problem noted while using paper-based medical recording system in hospitals such as a duplicate of patients' data, Waste of time and money, and poor accessibility of health records.

Though, the new government of Somalia has authorized a national health policy and established comprehensive Somali health sector strategic plans (HSSPs) for 2013–2016 in

Somalia's particular three regions which are South Central Somalia, Puntland, and Somaliland. The plan was successfully accomplished because of experiencing constant constraints but the decentralization policy is usually maintained. The most challenge is fragile institutional capacity which results in loss of human capital and the absence of accountability and transparency for the health sector. Also, there is a lack of health regulations and rules to control health professionals and services (WHO, a mission to Somalia, 2015). However, this study focuses on the absence of health records in Somali hospitals and the possibility of proposing a useful framework for them.

In Somalia hospitals, many problems is being caused due to the management using manual healthcare system, such problem includes difficulty for health professionals to access past medical histories of patients, medical errors in medications and prescriptions, improper organization of patient's past medical information, multiple tests are existence ordered, and adverse drug reactions are happening. These issues are affecting both healthcare workers and also the patients due to time consumption. However, governments and Somali hospitals administrators are rearranging strategies to make sure they have the proper healthcare systems in place to store the amounts of patient-related data and information.

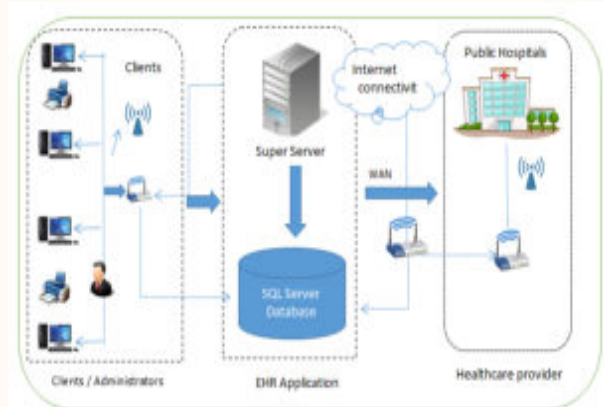


Despite the fact that the list of the issues is overwhelming, approaches are necessary to address all of these staggering problems. Electronic Health Record (EHR) is becoming a popular option in underserved areas with inadequate health information, and lack of emergency accessibility risks with a high burden of illness such as Somali. Thus, the urgency to save the lives of our patients makes this research an exciting opportunity. Therefore, we proposed a system called an EHR system which can be used by public and private hospital management in Somalia. To handle the mentioned problems, we proposed a framework that contains the basic procedures and guidelines required in developing an electronic health record system that provides a suitable solution to the problem stated above.

## II. Proposed framework of HER system

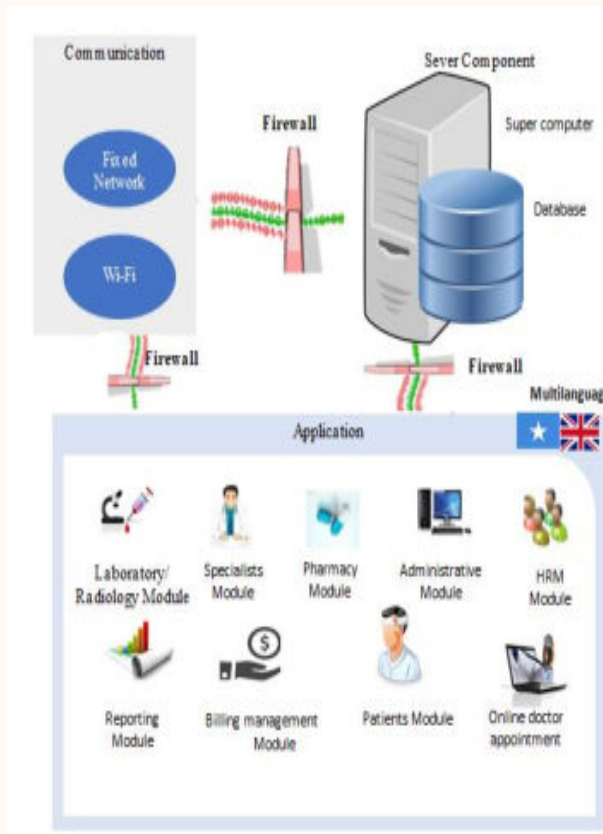
### A. Electronic Health Record System Architecture

Electronic Health Record System Architecture Figure below shows the overall architecture design of this research; it shows a high-level abstraction view of electronic health record building blocks for Somali hospitals. It consists of EHR users, both client and server computers, internet connectivity and public hospitals in Somalia. Each block of the architecture occupies an important portion of EHR system implementation.



The aim of this research is to propose a framework that contains the key components of electronic health record for Somali hospitals. To achieve the objectives of this study, the Framework of Electronic Health Record for underdeveloped Countries, especially for Somali Hospitals was proposed. The proposed framework is some for other developed and developing countries but the rest of underdeveloped countries does not have an EHR framework. Thus, this research will start up to propose a framework of EHR system to solving health record keeping problem in Somalia hospital. Finally, do to time limitation, the researchers of this study preferred to propose a comprehensive framework base on the requirements for Somalia healthcare centers. The proposed framework in this research consists of three main components; these components are communication, application, and server component.





### ***B. Proposed Design Prototype for EHR System***

This prototype was designed to show the functionalities of EHR system to be developed for Somali hospitals. The overall components and design prototype of EHR system are all about the base on the requirements for Somalia healthcare center. To design the prototype of this research, online data entry form filling is used, in which a blank form that duplicates or resembles the source document is completed on the screen. The user enters the data and then moves to the next field. The form can have many controls such as menu bars, toolbars, dialog boxes, text boxes, command buttons, list boxes, scrollbars, drop-down, group boxes, check boxes, and more others. The design of data entry screens shall consist of the many forms include: Main form, User registration, Login,

Patient registration, Assessment form, Diagnosis, Disease registration, Pharmacy registration, Doctor registration, Laboratory request, Drug registration, Prescription, Lab result, Doctor recommendation, Billing setup, Inpatient record unit (Department registration, room registration form, and bed setup) forms.

### ***C. Proposed Design Prototype for EHR System***

This prototype was designed to show the functionalities of EHR system to be developed for Somali hospitals. The overall components and design prototype of EHR system are all about the base on the requirements for Somalia healthcare center. To design the prototype of this research, online data entry form filling is used, in which a blank form that duplicates or resembles the source document is completed on the screen. The user enters the data and then moves to the next field. The form can have many controls such as menu bars, toolbars, dialog boxes, text boxes, command buttons, list boxes, scrollbars, drop-down, group boxes, check boxes, and more others. The design of data entry screens shall consist of the many forms include: Main form, User registration, Login, Patient registration, Assessment form, Diagnosis, Disease registration, Pharmacy registration, Doctor registration, Laboratory request, Drug registration, Prescription, Lab result, Doctor recommendation, Billing setup,



Inpatient record unit (Department registration, room registration form, and bed setup) forms.



### Key Opportunities of electronic health record systems

There are several studies that report that high-functioning EHR systems can help to decrease costs in the long run. One study found a 12.9 to 14.7% reduction of duplicative testing with the use of computerized provider order entry (CPOE) and clinical decision support (CDS) in an outpatient setting. Overhead costs may also be decreased through the reduction of chart pulls and from reduced paper, supplies, and storage costs, as well as via decreased transcription costs. Efficiencies can also be gained in billing processes with improved and complete documentation, improvements in the charge and capture process, and through decreases in billing errors. A study from Massachusetts found that paid malpractice claims may also be minimized with use of EHRs visé verses manual records (6.1% vs. 10.8% paid claims).

### Key Challenges of Electronic Health Record in Somalia hospitals.

The most common challenges of electronic health record systems are high cost, weak functionality and interoperability, safety and liability risks, and interference with physician-patient and physician-to-physician relationships.

Investing in EHRs can seem ironic when one of the major concerns in healthcare is rise steeply costs. System-wide implementation of best-of-breed EHR systems can run in the hundreds of millions of dollars. Beyond the up-front investment, budgets can also be blown by unexpected vendors' fees, upgrades or ongoing maintenance needs. Unfortunately, it's not uncommon these days to hear of hospitals going bankrupt as a result of underestimating their technology spending. Organizations must consider not only the hardware and software, but also the costs of implementation, training, support, and the potential loss of productivity during the startup phase.



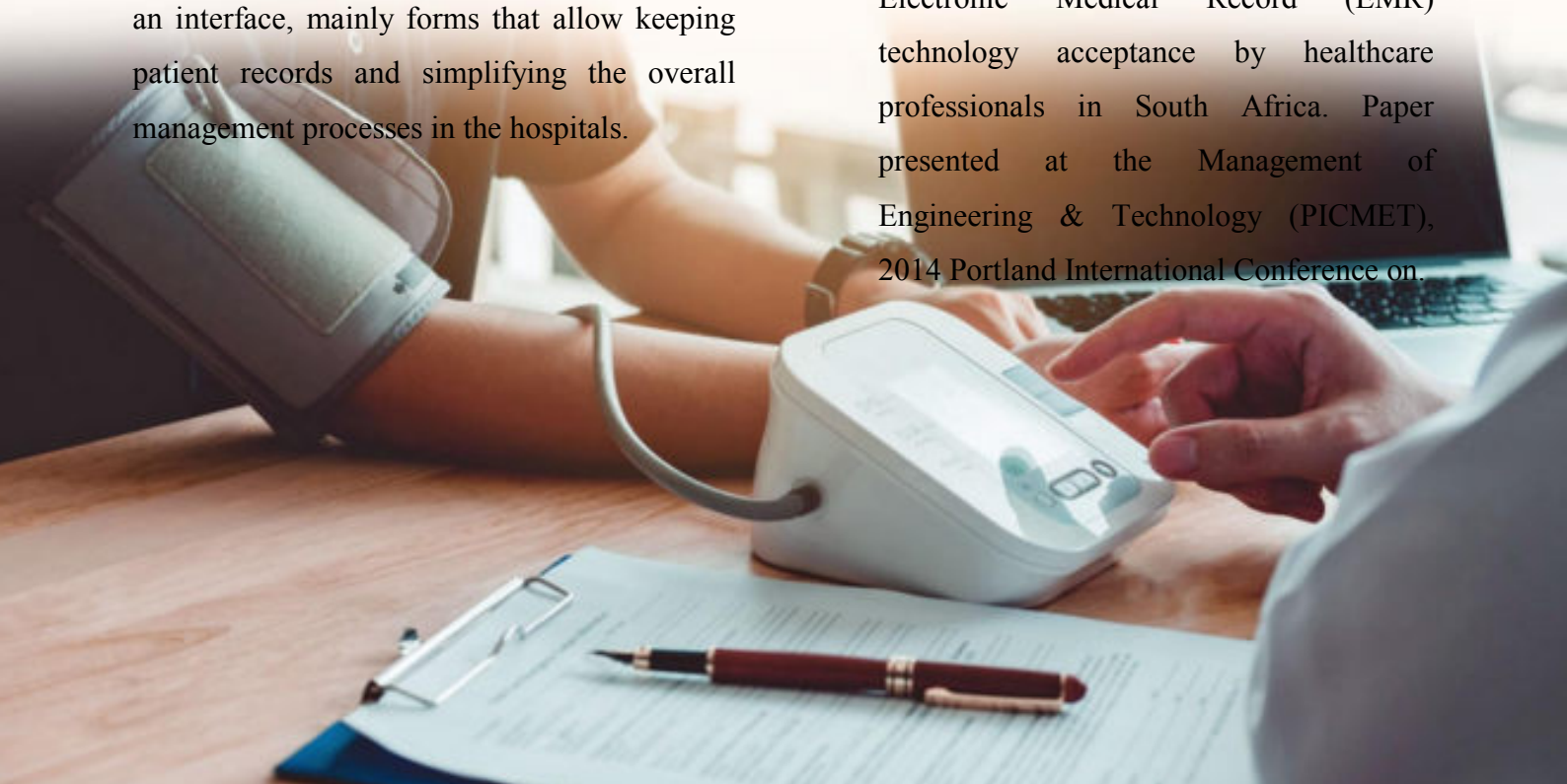
## CONCLUSION

Health records are essential documents that contain a set of patient-related information and their description. It is an important document that keeps the overall information of the patients such as patient basic information, medical past history, medications, and doctor recommendations. If the health records are not kept electronically, it will cause many problems to include improper documentation, poor accessibility of medical records, loss of documents and the death of many patients. Several developing countries including Somalia are facing these problems. In order to address this problem, we proposed a comprehensive framework that contains the overall components required to implement EHR for underdeveloped countries, especially Somalia hospitals.

In order to design this prototype, the main components of the proposed framework have been used and the EHR system process of the framework is followed. The prototype provided an interface, mainly forms that allow keeping patient records and simplifying the overall management processes in the hospitals.

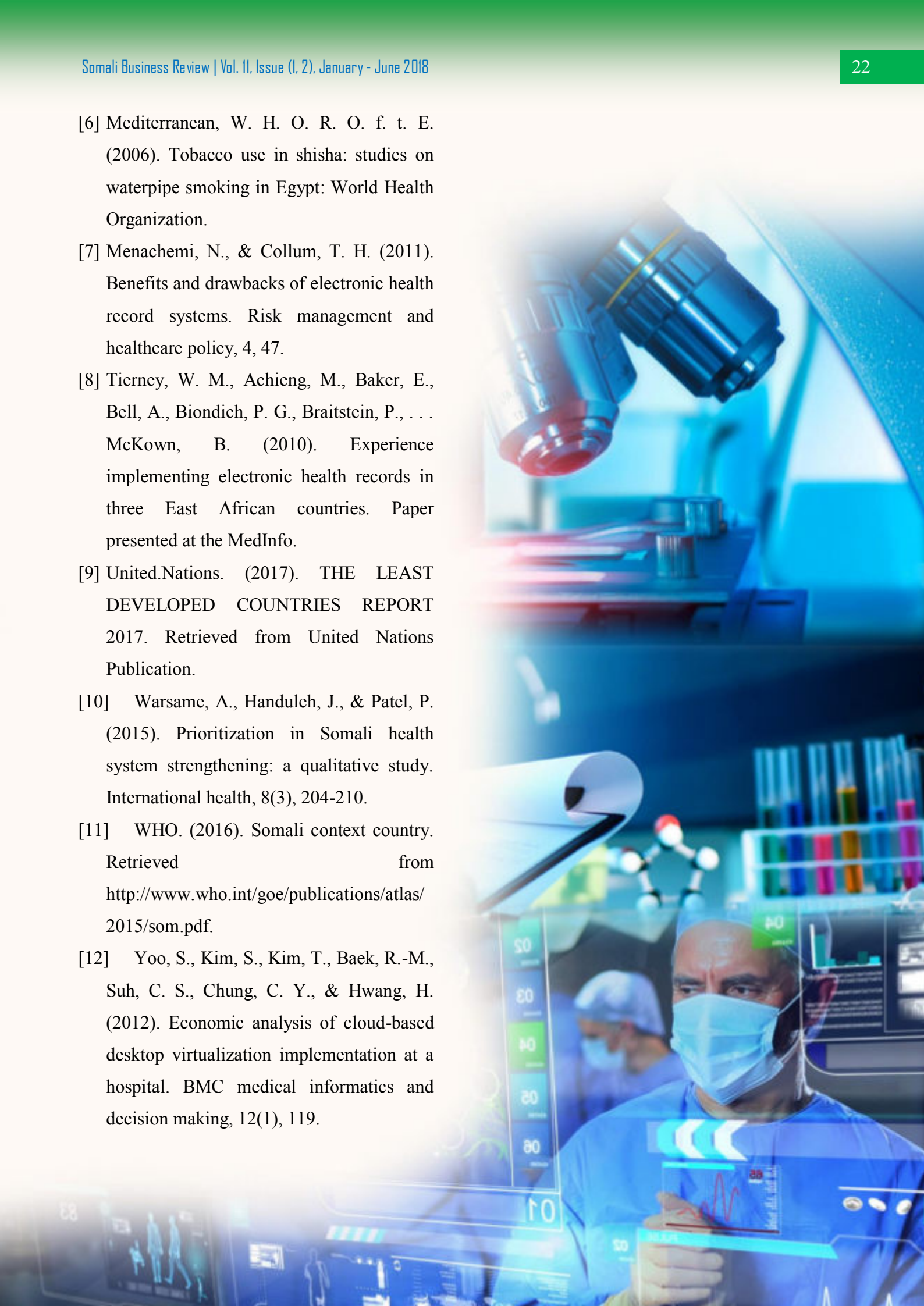
## REFERNCES

- [1] AL-ASWAD, A. M., BROWNSSELL, S., PALMER, R., & NICHOL, J. P. (2013). A review paper of the current status of electronic health records adoption worldwide: the gap between developed and developing countries. *Journal of Health Informatics in Developing Countries*, 7(2).
- [2] Beaumont, R. (2011). Types of Health Information Systems (IS).
- [3] Braa, J., Hanseth, O., Heywood, A., Mohammed, W., & Shaw, V. (2007). Developing health information systems in developing countries: the flexible standards strategy. *Mis Quarterly*, 381-402.
- [4] Karuri, J., Waiganjo, P., & Many, A. (2013). Adoption of Health Information Systems by health workers in developing countries—Contextualizing UTAUT. Paper presented at the IST-Africa Conference and Exhibition (IST-Africa), 2013.
- [5] Mammen, A., & Weeks, R. (2014). Electronic Medical Record (EMR) technology acceptance by healthcare professionals in South Africa. Paper presented at the Management of Engineering & Technology (PICMET), 2014 Portland International Conference on.





- [6] Mediterranean, W. H. O. R. O. f. t. E. (2006). Tobacco use in shisha: studies on waterpipe smoking in Egypt: World Health Organization.
- [7] Menachemi, N., & Collum, T. H. (2011). Benefits and drawbacks of electronic health record systems. Risk management and healthcare policy, 4, 47.
- [8] Tierney, W. M., Achieng, M., Baker, E., Bell, A., Biondich, P. G., Braitstein, P., . . . McKown, B. (2010). Experience implementing electronic health records in three East African countries. Paper presented at the MedInfo.
- [9] United.Nations. (2017). THE LEAST DEVELOPED COUNTRIES REPORT 2017. Retrieved from United Nations Publication.
- [10] Warsame, A., Handuleh, J., & Patel, P. (2015). Prioritization in Somali health system strengthening: a qualitative study. International health, 8(3), 204-210.
- [11] WHO. (2016). Somali context country. Retrieved from <http://www.who.int/goe/publications/atlas/2015/som.pdf>.
- [12] Yoo, S., Kim, S., Kim, T., Baek, R.-M., Suh, C. S., Chung, C. Y., & Hwang, H. (2012). Economic analysis of cloud-based desktop virtualization implementation at a hospital. BMC medical informatics and decision making, 12(1), 119.





# REALIZING THE SUSTAINABLE DEVELOPMENT GOALS: HOW CAN WE MAKE THE WORLD MORE SUSTAINABLE

MOGADISHU, SOMALIA

**Mohamed Okasha**

## INTRODUCTION

Making the world more peaceful, prosperous and sustainable have been global agenda for many years. The history takes back in 2000 when the Millennium Development Goals (MDGs) were adopted; it was the first global anti-poverty movement. After fifteen years, a progress was made but the world realized to engage further effort to end extreme poverty, hunger, preserve the environment, promote, respect human right and end wars. As result of that, the 17 Sustainable Development Goals (SDGs) as the core element of the 2030 Agenda for Sustainable Development was adopted by the UN General Assembly in September 2015.

### The 2030 Agenda

The 2030 Agenda is universal, transformative, and inclusive emphasizing that “no one will be left behind” with multi-stakeholder partnerships needed at all levels of society to achieve the

global goals. Albeit, The SDGs has gained ground at everywhere because, it aimed at tackling the major pressing challenge of human life and environment and focusing suitability for the entire world. Almost all the world’s societies acknowledge the SDGs and, how it frames for the combination of economic development, environmental sustainability, and social inclusion.

The SDGs are the plan of action for people, planet, and prosperity; the goals have 169 targets and over 230 indicators to trace and measure the scale of progress made. Moreover, the World Bank Group developed an Atlas for SDGs to figure out countries’ performances. Therefore, everyone should unlock their potentials for realize the 2030 agenda and making the planet more peaceful, prosperous, and sustainable.



### **Making the world more Sustainable**

People should direct and mobilize their energy and effort for productive aim since they are the greatest driving force for making the world more prosperous. Individuals, governments, the private sector, civil societies, academic community, need to do things differently. Therefore, everyone must recognize fixing the global challenges needs collective efforts and responsibilities. The borderline between nations and communities are disappearing because people's lives affect one another regardless their country or continent.

As the Somali Prime-minister Hassan Ali Khaire remarked: “We cannot talk about a sustainable planet without demonstrating a commitment to make this world likeable for ourselves and the future generation.” We have to learn, understand and advocate the global goals to lead and act on it. However, this will be the critical emphasis of localizing the global 2030 agenda.

Fortunately, the UN launched SDGs Young Leaders programme, which is annually selected class whereby 17 young change-makers Advocate and promote the Goals to engage larger audiences globally. Furthermore, people can act on the global goals. If we want to make the world more sustainable, we need to figure out the answer to this critical question: How can we make the world more sustainable?

The answer has its root in planting trees, donating blood, quitting the plastic usage, reducing wastes, respecting and promoting the human rights. Also, welcoming the immigrants and others can be among the indispensable activity that everyone can do to make the world more sustainable. “Everyone, everywhere, can do something to make the world safer, sustainable and secure” Said by António Guterres, The Secretary-General of the United Nation.



In Addition, people can donate, and, volunteer for realizing the global goals. Philanthropists and volunteers can play a crucial role in achieving the SDGs; Philanthropists like Melinda and Bill Gates have been committed to improving the lives of many people under Bill and Melinda Gates Foundation.

Therefore, their work uplifted millions of people from hunger, diseases, and poverty. On the other hand, volunteers have been contributing impact-oriented development through the spirit of volunteerism, and they are agents for change and the cause of peace and Development in everywhere with free cost services.



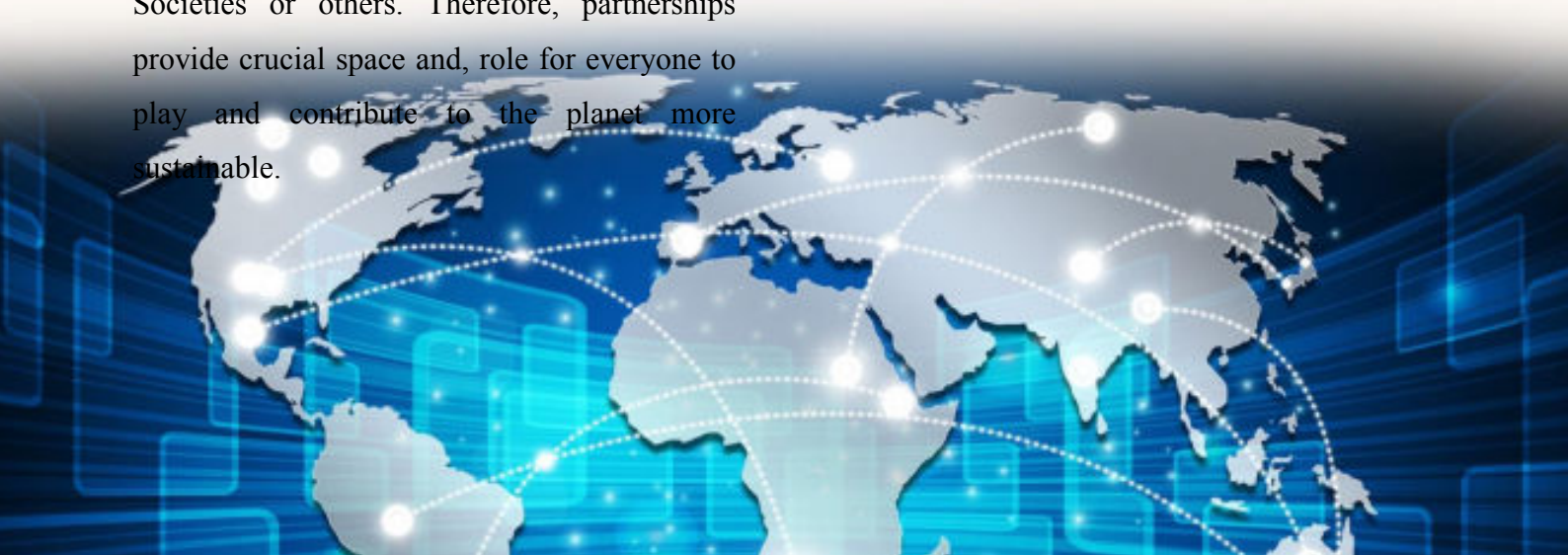
According to UN “Overall [volunteers] contributes across all goal areas. Volunteers deliver technical expertise, develop skills, build capacities, modelling attitudes and catalyzing behavioural changes and leading to increased social capital and strengthened social cohesion.” Cate Blanchett, Shah Rukh Khan, & Elton John, 2018 Crystal Awards winners, were honoured at annual World Economic Forum meeting in Davos for their indispensable volunteerism and Philanthropies in communities.



Moreover, building partnership for development is inevitable in all development processes. Localising, financing, implementing, and reporting the Global Goals needs strong partnership among all stakeholders in communities. The United Nations or the Governments cannot turn into reality the global goals without the private sector or the Civil Societies or others. Therefore, partnerships provide crucial space and, role for everyone to play and contribute to the planet more sustainable.

## Conclusions

The Sustainable Development Goals are the core global policy framework for the planet to end the pressing problems. For the coming 13 years, we all need to act on the Global Goals and turn them into reality, because, there is no alternative for our Planet. However, everyone on earth must play a role; we should advocate, volunteer, donate, act, or partner about the Goals. Thus, governments, the private sector, civil societies and academic community, all of us we need to do things differently to make our planet more peaceful, prosperous and sustainable.







# ENTREPRENEURIAL MINDSET

MOGADISHU, SOMALIA

**Nasra Ahmed Mohamed**

## INTRODUCTION

Entrepreneurship, is significant to every county's economy and it is also important when it comes to the opportunities that businesses have and the profits that they generate. It is widely accepted that successful entrepreneurs contribute towards the development of society and advancement of economic growth. The new entrants of the entrepreneurial industry need to survive the competition between the entrepreneurs to do that they have to have an entrepreneurial mindset, most of the colleges and universities in the world offer entrepreneurship courses to equip students with the essential with the knowledge and skills they need to be a successful entrepreneurs.

Entrepreneurial mindset is reflected a universal opinion of generating novel ideas, evaluating opportunities and risks, or starting and running a business, whereby an individual internally assesses his or her perceptions based on holistic rather than functional attributes.

An enterprising mindset is about having a way of thinking, which sees opportunities, rather than barrier, that sees possibilities rather than failure and wants to do something to make a difference rather than sit and complain about the problems (Souitaris, et al., 2007; Osterbeek, et al., 2010). The person must have self-entrepreneurial ability, skills, knowledge and competency to develop the entrepreneurial ideas to control the business and develop ideas While self-entrepreneurial competencies are defined as “cluster of associated knowledge, attitudes, and skills which an entrepreneur must obtain through managerial training and development that will enable students to produce outstanding performance and maximize profit” (Inyang & Enuoh, 2009, p. 3).

### Developing Entrepreneurial Mindset

Ever since researchers in the area of entrepreneurship started to explore the field of entrepreneurial mindset, they were intrigued by the questions why some people identify opportunities and others do not. And doing so, how they are able to leverage and combine



existing and new resources in an innovative way given dynamic and complex environments. It depends on personal characteristics of the entrepreneurs and the person's knowledge and skills of the entrepreneurship and the creative mindset that the entrepreneur holds.

Schumpeter the realization of ideas is not only imperative for entrepreneurs, but also a rare capability. Schumpeter once wrote that “ideas are cheap” suggesting that anyone can have an idea but only certain persons have the capacity to realize an idea. Schumpeter describes the character of such a person (with Schumpeter’s gender biased language) as “a man of action [that] does not feel the restrictions that block the action of the other economic actors” (1911: 132). The notion that there is something “special” with the personality of an entrepreneur becomes clear in the writings of Schumpeter. From a psychological perspective this description resembles the discussions about personality traits.

In the example of the entrepreneur certain personality traits are assumed to be closely related to the motives of entrepreneurs described above. It may be hypothesized that certain personality traits correlate with the motives of the entrepreneur. Therefore, both motivational structures as well as personality traits are of importance in order to understand the mindset of the entrepreneur.

The students can be created my entrepreneurial intention and mind set by giving entrepreneurial education, In Somalia, we always say that we are entrepreneurial community that always try to survive the problems in the country, a lot of women and youth started businesses when the country was its worst times to serve their families.



When starting a business it is a significant to have a mind-set of entrepreneurship, it all begins on having a right mindset which can clearly identify what you want. In their book, entitled *The Entrepreneurial Mindset*, McGrath and MacMillan (2000) suggest that you know you have fully embraced the entrepreneurial mindset when you start to act and think like a habitual entrepreneur. As suggested by the name, habitual entrepreneurs are known for making a career out of starting businesses, both within existing organizations and as independent ventures.



While you do not need to actually start businesses to embrace the entrepreneurial mindset, the point is that you utilize the entrepreneurial way of thinking so frequently that it has become a habit.



The question that we need to ask is, can we actually impact how our students think and act in the entrepreneurship courses, so that they can develop a passion to become an entrepreneurs. The entrepreneurial mindset reveals the way the person thinks and the ability that the person have to understand the opportunities and take the risk and the uncertainty that involves in the business in the idea. McGrath and MacMillan (2000) identify some characteristics of the entrepreneurial mindset to include: passionately seeking new opportunities; pursuing opportunities with enormous discipline; pursuing only the very best opportunities; focusing on execution; and engaging everyone's energy in their domain. These mindset characteristics are imperative because: 1).

SMEs/individuals that are passionately seeking new opportunities are alert and always look for possibilities to make profits based on changes and disruptions in the way business is done. 2). Pursuing opportunities with enormous discipline. This means SMEs/individuals are not only alert enough to spot opportunities, maintain some form of register or unexploited opportunities, but also they act on the opportunities if they perceived them to be attractive and viable. 3). Pursuing only the very best opportunities implies that SMEs/individuals should avoid exhausting themselves and their organization by not running after every option but remain ruthlessly disciplined about limiting the number of projects they pursue. 4).

Furthermore, focus on execution means that successful SMEs/individuals are able to change directions in their process of exploring an opportunity. 5). Engaging energies of everyone in their domain means that SMEs/ individuals are able to create and sustain networks of relationships both within and outside their businesses (Yaw, 2004).

Those people who are interesting on entrepreneurship must have attitudes that are personally feasible and socially and personally desirable. Different studies show that the sense of adapting to uncertainties and the ability to act and organize are fundamental to entrepreneurship. An entrepreneurial mindset in students after following an entrepreneurship



education as well as the various teaching techniques in improving entrepreneurial awareness and entrepreneurial skills are keys to a business' success.

SMEs' inability to create more job opportunities because of the owners' mind-set is well perceived as one of the major causes of SMEs' failure (Nieman, 2006). Entrepreneurs with entrepreneurial mind-sets consider limitations, difficulties and challenges as opportunities and thus develop innovative ways to deal with them and exploit and merge opportunities (Eno-Obong, 2006). Having an entrepreneurial mind-set is a successful tool that can help individuals to successfully move forward in an entrepreneurial process regardless of the problems that a business faces (McGrath and MacMillan, 2000).

## Conclusion

Entrepreneurial mindset is a significant success factor for the small and medium enterprises and the business will fail without effective mindset. This means that the current business environment needs an entrepreneurial mind-set that must unlearn traditional management principles in order to minimize the high failure rates of SMEs (Morris and Kuratko, 2002). However, the effects of a mind-set may vary from country to country depending on market opportunities, but what is significant is that developing effective mindset helps the sustainability of the business.





# UNDERSTANDING THE DIFFERENCE BETWEEN ACCOUNTANT AND BOOKKEEPER IN SMALL BUSINESS OWNERS

MOGADISHU, SOMALIA

*Ali Ibrahim Mohamed*

## INTRODUCTION

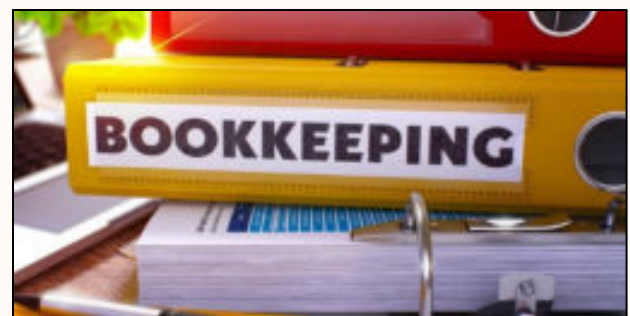
Small businesses require close tracking of operating cost and cash flow. It is important for business owners to make sure their investments are handled, which includes recording transactions and assessing or processing data.

While, this may look easy enough to do separately, it can be more difficult and time-consuming than you realize. There are two types of financial helpers for these activities – bookkeepers and accountants. Understanding the difference between the two is crucial before settling. Bookkeepers record a company's day-to-day transactions, while accountants verify and analyze that information – but there's much more to it. Here is what you need to know before hiring either of them for your business.

## BOOKKEEPER

A bookkeeper records daily financial transactions, including purchases, receipts, sales and payments, usually through a general ledger

or journal. Many small businesses use software such as QuickBooks or Peachtree to keep footpath of their entries, debits and credits. Their efforts conclude in a trial balance, which means the final total of debits and credits match. Bookkeeping is designed to generate data about the activities of an organization,”



## ACCOUNTANT

The role of an accountant, therefore, is to verify the data entered, and then use it to generate reports, analyze the account, perform audits and prepare financial reporting records, like tax returns, income statements and balance sheets. An accountant's analysis can provide information for forecasts, business trends,



opportunity for growth and when to restrict spending to manage cash flow.

#### **HIRING FOR PROFESSIONAL ACCOUNTANT**

Regardless of the size of your company, it is a critical for ongoing success to ensure the financial accuracy of daily transactions, and use that data to make decisions for the future of your business. If you feel your business is growing too quickly, you should consider hiring someone to help you keep track and make sense of your business transactions.

An accountant's work depends on a bookkeeper's records, so hiring both may be a good idea for your business. However, when doing so, be sure the individuals are qualified by asking for references, checking for certifications or running screening tests. It is crucial to have accurate data from both (bookkeeper and the accountant). While, many small businesses hire an accountant outside the company, bookkeeping is more diverse. Some small business owners do their own bookkeeping through software their accountant recommends or uses. However, other sizable small businesses are capable to employ a bookkeeper, or have a small accounting department with data entry clerks reporting to the bookkeeper.

#### **SUMMERY**

Now, it is clear the difference between accountants and bookkeepers to the readers and small business owners. Furthermore, in this article the writer demonstrated how vital both are to the small businesses. So it is important that you have a first bookkeeper to register your property and your business transactions and events, after that you need someone who is familiar with accounting profession who will help you to make decisions for the future of your business.

#### **RECOMMENDATIONS**

If you need to grow quickly your business, please consider the following Points:

- ❖ You should have a bookkeeping policy and procedure.
- ❖ You should hire a professional bookkeeper that keeps up your business transaction and events.
- ❖ You should hire a professional accountant that helps in a long running business opportunity.
- ❖ Also, you should make sure these individuals are competent (professional certificate holders) to conduct the task at hand.





# FINANCIAL LITERACY AND INVESTMENT DECISIONS: SMALL AND MEDIUM ENTERPRISES IN MOGADISHU-SOMALIA

MOGADISHU, SOMALIA

**Hussein Abdi Mohamud**

## INTRODUCTION

**F**inancial literacy in recent years, has gained the interest of various groups including governments, bankers, employers, community interest groups, financial markets, and other organizations, especially in developed countries. In Somalia, the importance of financial literacy has increased due to many factors including the development of new financial service institutions, the competitive markets, and the changes in demographic (social status), and economic factors. In order for Small and Medium Enterprises (SMEs) to remain competitive, they need to create an organization culture where customers experience high levels of satisfaction from the services offered.

Employees in this sector need to learn financial literacy concepts to enable them to succeed in the complex global environment. Owing to the importance of financial literacy at the workplace and in personal life, there might need to conduct

such a study to investigate the effect of financial literacy on business financial management practices.

And, how it affects various financial management practices like savings, debt and investments. Nowadays most people invest money for future needs but the approach is to save surplus money without preparing Business budgets, without prioritizing financial goals, without properly allocating investments in different asset classes and without understanding the real rate of return along with risk associated with the instrument and without analyzing the liquidity impact becomes extremely difficult for an investor to make an effective decision for investment. However, one may argue that a low level of business owners' financial literacy does not necessarily imply that they will make poor financial decisions.

In principle, entrepreneurs could seek advice and guidance from qualified sources, such as independent financial advisors, bankers, brokers,



and other professionals. This paper assesses the financial literacy of the SMEs managers who invest in the business' funds in local markets. In addition, it examines the relationship between financial literacy and the influence of the factors that affect the investment decision. The objective of the study is to establish the effect of financial literacy on investment decision making by SMEs managers.



A target population of 20 of SMEs in Bakara Market was used and their responses indicated that their financial literacy is far from the needed level. The financial literacy level was found have a significant effect on investment decision making by fund managers. As the result of this study financial literacy levels in old SMEs (10-15 years) was higher compared to young ones (5-10 years old). Furthermore, in Somalia, the need for financial literacy is even greater, considering the low levels of general literacy and the large section of the population, which still remains out of the formal financial loop.

## FINANCIAL LITERACY

Financial literacy is more important than ever in today's world. Being aware of money management, income, saving, and spending can

equip our young people with knowledge to fight fraud and take charge of their finances. We are living in an age of unprecedented debt and students are destined to face challenging times financially. It is imperative that educators begin to equip students with the knowledge and skills to succeed as consumers in today's global economy. Financial wellbeing of any individual investor is directly or indirectly related to his or her level of financial literacy. The literacy not only encompasses the approach to understand a basic financial instrument, but also, involves the complex process by which an investor selects a particular financial product on the basis of his future financial goals.

It was suggested in an article in the Chronicle of Higher Education that the U. S. Secretary of Education's Commission on the Future of Higher Education recommends a promotion of lifelong learning for students so that they are prepared for their entrance into a global economy (Field, 2006). World Bank's Access to Finance survey, collected data from Indonesia, the Access to Finance survey is a nationally representative household survey designed to measure the use of, and attitudes towards, financial services in Indonesia. Stratified sampling was used to select 112 villages and from each village 30 households were randomly selected to participate in the survey, giving a total sample size of 3,360 households. All Indonesian survey statistics reported in this paper are corrected for appropriate sampling



weights (World Bank, 2007).

### INVESTMENT DECISIONS

Investors, and investment managers make the investment decisions. Investors commonly perform investment analysis by making use of fundamental analysis, technical analysis and judgment. Investment decisions are often supported by decision tools. It is assumed that information structure and the factors in the market systematically influence individuals' investment decisions as well as market outcomes.

The field of investment today is even more dynamic than it was only a decade ago. World events have rapidly altered the values of specific assets that the individual has to choose from, and the amount of information available to the investors is staggering and continually growing.

The key to a successful financial plan is to keep apart a larger amount of savings and invest it intelligently, by using a longer period of time. Investment decision consists of tradeoffs between individual's instant consumption and delayed consumption for a greater future consumption benefits (Reilly & Brown, 2006). Investment has been defined by both theoretical and empirical studies as the commitment of funds for a specified period by an investor with an expectation earnings returns. Popescu (2008) posits that investors are financial literate whereby they have sufficient information and knowledge about the financial products.

### CONCLUSIONS AND RECOMMENDATION

The findings on how financial literacy has an effect on investment decision making by Bakara SMEs shows that a small percentage of SMEs considers financial concepts such as returns, investment risks, investment portfolio management, and trends in interest rates at a great extent. The results indicate that most SMEs managers need to be financially literate in-order to make investment decisions. Also, the results revealed that most of SMEs owners invest real estate due to less risk and no need more financial analysis as what they believe.

According to the result of the study the researcher recommends the following points:

- Organizations should therefore, be ready to invest in building capacity in terms of financial literacy where it is required. This would foster clearly calculated decisions being made, and, reduce the number of bad outcomes from investment decisions.

The research also, recommends that in hand with the government's vision of increasing computer literacy through increasing computer hardware in learning institutions. Therefore, investment agencies should partner with other stakeholders in increasing the amount of information available for use in making clear investment decisions to investors and simplified financial courses for learning institutions in all sectors.





# NEW FACULTIES AND PROGRAMS

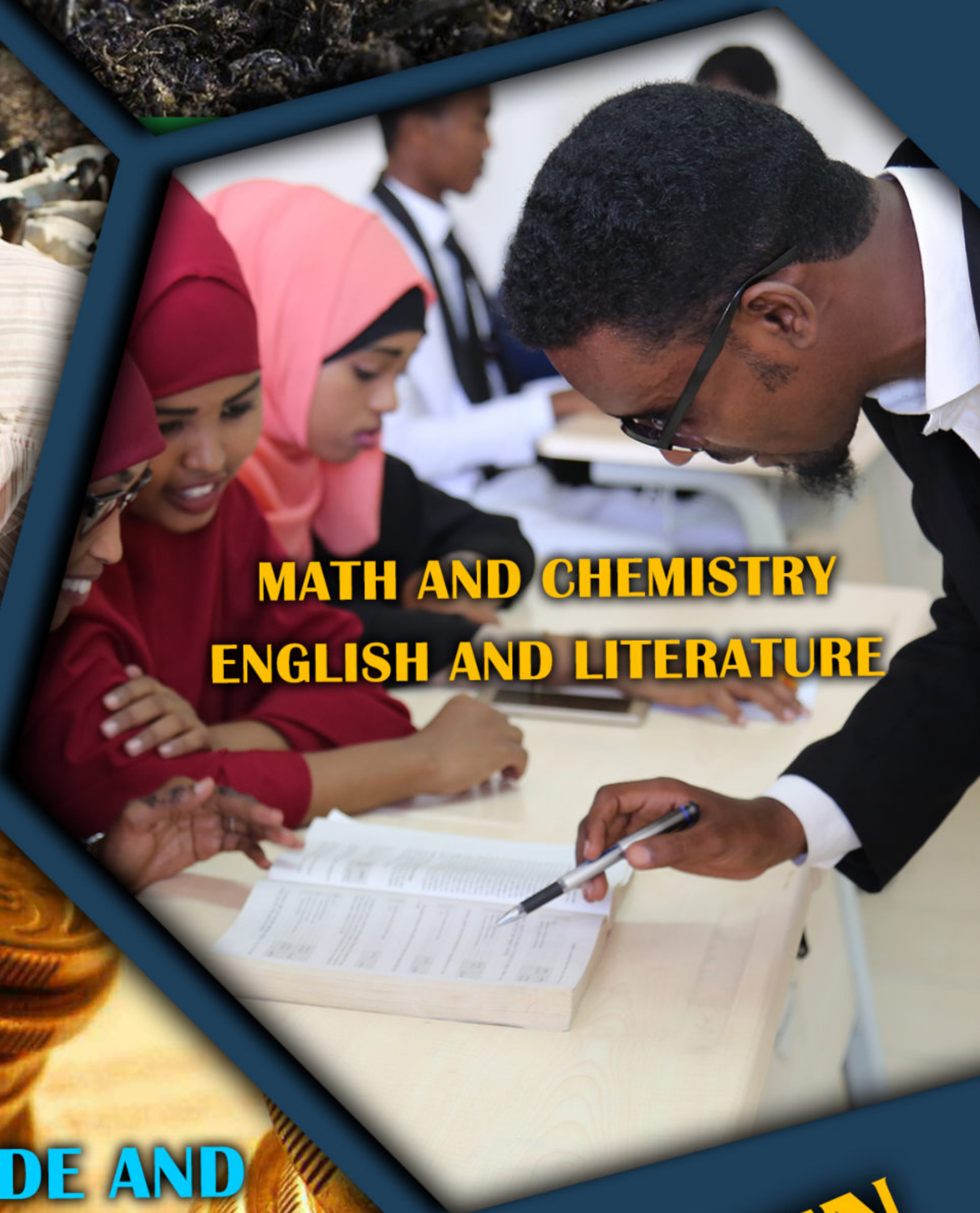
AGRICULTURAL AND  
ENVIRONMENTAL SCIENCES



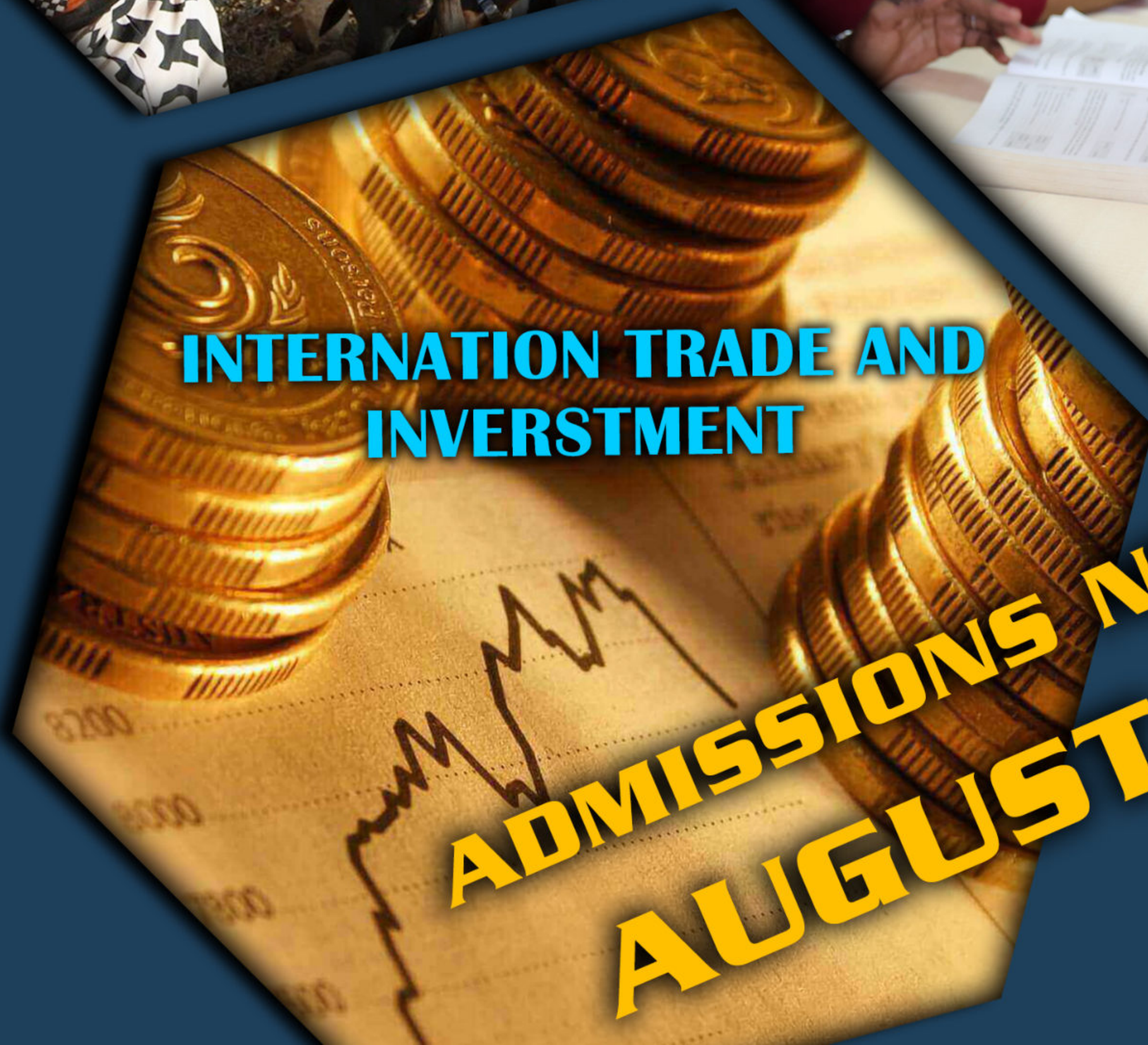
VETERINARY MEDICINE



MATH AND CHEMISTRY  
ENGLISH AND LITERATURE



INTERNATION TRADE AND  
INVERSTMENT



ADMISSIONS NOW OPEN  
AUGUST 2018



