

**EFFECT OF MOBILE MONEY TECHNOLOGY ON PERFORMANCE OF SMALL
AND MEDIUM ENTERPRISES IN MUKONO MUNICIPALITY**

HOPE KARIGIRWA

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DECLARATION

I, Karigirwa Hope, declare that this dissertation is my original work and has not been previously published or submitted anywhere for award of a degree. I also declare that this contains no material written or published by other people except where due reference is made and author duly acknowledged.

KARIGIRWA HOPE

Registration Number: 5228331028.....

Sign:  Date: 06/09/2023

APPROVAL

This dissertation has been submitted for examination with my authority and approval as the supervisor.

Signature *Allen* Date *06/09/2023*

CPA Allen Kagume,

School of Business,

Uganda Christian University

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ABBREVIATIONS AND ACRONYMS

GDP:	Gross Domestic Product
ICT:	Information Communication Technology
IT:	Information Technology
MMS:	Mobile Money Services
MMTS:	Mobile Money Transfer Service
MNOs:	Mobile Network Operators
PDA:	Personal Digital Assistant
PEU:	Perceived Ease of Use
PIN:	Personal Identification Number
TAM:	Technology Acceptance Model
SMEs:	Small and Medium Enterprises.

ABSTRACT

This study set to examine mobile money technology and the effect it has on Small and Medium Enterprises in Mukono Municipality. The study examined the influence of mobile payments on SMEs, established the influence of mobile finance on SMEs and determined the effect of mobile banking on the performance of SMEs in Mukono Municipality. A descriptive survey design using a sample of 108 respondents was adopted. Simple random sampling technique was used to select the respondents and data was collected using well designed structured questionnaires.

Findings reveal that SMEs accept payments through mobile money from their clients and this is revealed by a mean value of 3.6204. It was found that the presence of mobile finance relieves SMEs from the problem of having to open a bank account as shown by mean value of 3.5630. The study also found that mobile banking enables SMEs to withdraw cash from their bank account and this is shown by the mean value of 3.6944. In addition, mobile money services have positive correlation to the growth of SMEs equal to 0.837 and the p-value is .000 which is less than 0.01.

In conclusion, there is a strong positive relationship between mobile payments, mobile finance, mobile banking, performance, and the effect on SMEs.

The study recommends that SMEs should put emphasis on mobile payments in order to make business to transfer when making purchases from suppliers, customer to the business transfers when customers buy goods from the business and for debt collection and for credit sales so as to ensure improved performance. SMEs should use mobile finance services so as to assist them to pay for their insurance premiums, accumulate assets and obtain credit. In addition, SMEs should also use mobile banking (m-banking) to undertake financial transaction linked to their account and have access to services such as performing balance checks, account transactions, payments, credit applications and other banking transactions through a mobile device.

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CHAPTER ONE

INTRODUCTION

1.0. Introduction

This chapter presents the background of the study, objectives of the study, research questions, statement problem, significance and the scope of the study.

1.1. Background of the study

Globally, technology is consistently cited as one of the greatest challenges faced by small and medium enterprises (SMEs) around the world. It is widely recognized that technology is invaluable for improving efficiency, accuracy, increasing outreach and reducing costs. However, many SMEs lack sufficient funds to invest in suitable backend technologies, or operate in regions where access to critical infrastructure such as the Internet remains scarce. Still others sink funds into poor technology investments, or simply choose not to invest, limiting their ability to grow and compete (Rosenberg, 2019).

A mobile phone is considered to be a small handheld computing device with a small display for output and a mini keyboard or touch screen for input. People could chat and listen to each other without using a wire on the first generation of mobile phones, but now people see each other anywhere and at any time with third generation (3G) phones, in addition to exchanging words. Mobile phones are widely available, with main services such as mobile calls, mobile instant messaging, Mobile money remittances, mobile bill payments, mobile internet browsing, and, more recently, mobile banking. Francis and Willard (2016) revealed that the mobile phones can help SMEs solve some of their challenges and also boost their performance.

Mobile money, as a digital financial service facilitated by mobile phone connectivity, enables businesses to enhance access to financial information and make efficient decisions (Okundaye, et al., 2019). For instance, businesses can leverage mobile money platforms to access real-time financial data, monitor transactions, and analyze customer payment patterns. By utilizing these

insights, businesses can make informed financial decisions, improve cash flow management, and optimize resource allocation, ultimately contributing to better overall performance.

Mobile money revolutionizes the way businesses connect with suppliers and clients, offering convenient and secure payment options. With mobile money, businesses can streamline transactions without the need for physical meetings, enhancing efficiency and reducing operational costs. For example, businesses can utilize mobile money platforms to pay suppliers or receive payments from clients, promoting faster and more seamless financial interactions. This enables businesses to build stronger relationships with partners and enhance overall business operations.

Mobile money, in conjunction with mobile phone connectivity, accelerates internal communications and enables businesses to utilize their capital more effectively (Okundaye, et al., 2019). By adopting mobile money platforms, businesses can optimize cash management, improve liquidity, and reduce administrative complexities. For instance, businesses can use mobile money to facilitate salary payments, eliminating the need for cash or paper-based transactions. This not only saves time but also enhances security and transparency, contributing to more efficient capital utilization and overall financial performance.

The successful utilization of mobile money technology assists businesses in gaining market share and expanding their market reach (Willard, 2016; Owoseni & Twinomurinzi, 2020). By embracing mobile money as a payment solution, businesses can cater to a wider customer base and extend their geographic presence. For example, businesses that offer mobile money as a payment option can attract customers who prefer convenient digital transactions, thereby increasing sales and market share. Additionally, mobile money enables businesses to tap into previously inaccessible markets, reaching customers who may have limited access to traditional banking services.

In Uganda, the financial performance of Small and Micro enterprises continues to be a going concern for Uganda (Auditor General's Report, 2017). Despite the increasing focus on these entities by the Government of Uganda and other development partners, recent reports continue to show limited progress among these enterprises to increase sales and achieve the necessary

profitability, thus threatening their survival (BOU, 2018; PSFU, 2017). For instance, the recent data shows that out of 100 startups, less than 30 % survive to its second year of operation citing different areas in Uganda (UIA, 2017).

The SMEs in Mukono Municipality face a lot of challenges including high cost of operations, many of the operators are uneducated and lack business skills and most of the traders handle the same products and provide similar services and this lack of specialization has led to failure and eventual closure of the SMEs operations hence the need to investigate if adoption and use of mobile money technology and its facilities to improve the performance of the SMEs. This study explored mobile money technologies by considering the aspects of mobile phone communication and mobile financial services.

1.2. Statement of the Problem.

Estimates for Uganda indicate that more than 20 million mobile money users which make up about eighty percent of the grown-up population make use of mobile phones in completing financial transactions with universal benefits (Aron & Muellbauer, 2019).

Mobile money technology is perceived as critical in harnessing business opportunities and achieving high performance and impact, thus there is significant potential for mobile use to increase SMEs performance as mobile phones allow entrepreneurs to communicate at a distance and exchange information instantaneously; to serve existing customers more effectively; check market prices and to bypass middlemen in the marketplace (Balgobin, 2022).

Without using mobile money technology today to obtain competitive advantages, produce high added value products and processes and develop competitive strategies within a business, SME performance and effect will continue being constrained (Mahdi et al., 2019).

Small and Micro enterprises still face the challenge of effective performance, largely attributed to many factors such as: the lack of access to credit, inadequate information to make informed decision, the lack of expertise, digital illiteracy, high cost of access to information technology infrastructure and high taxation (Mwirumubi et al., 2017).

It is therefore on this basis that this study seeks to assess the effect of mobile money technology on the performance of Small and Medium Enterprises in Mukono Municipality.

1.3. Objective of the study

The general objective of the study was to determine the effect of mobile money technology on the performance of Small and Medium Enterprises in Mukono Municipality.

1.4. Specific objectives

The study specifically aimed to achieve the following objectives.

1. To identify the impact of using mobile money technology on Small and Medium Enterprises in Mukono Municipality.
2. To establish the effects of mobile phone technology on performance of small and medium Enterprises in Mukono Municipality.
3. To determine the problems and possible strategies of mobile money technology on Small and Medium enterprises in Mukono Municipality.

1.5 Research Questions

1. What is the impact of mobile money technology on Small and Medium enterprises in Mukono Municipality?
2. What are the effects mobile phone technology on the performance of SMEs in Mukono Municipality?
3. What are the problems and possible strategies of mobile money technology on Small and medium enterprise performance in Mukono Municipality?

1.6. Significance of the Study

The study findings and recommendations may be of value as they contribute to growth of literature material and theoretical foundation for other scholars and researchers on performance of SMEs and the effect that mobile phone technology has. The academic body may use the study as referencing material and get suggestions on topic from which to undertake future studies.

In practice, the study may be significant to owners of the SMEs by exposing how best to employ technology so as to improve performance. The study may give recommendations that other SMEs owners can apply so as to improve their performance. The results may also be useful to policy makers within Mukono municipality in such a manner as to make policies that help to improve the performance of this sector and lead to its impact and growth.

The study may also be beneficial to the mobile money users as they can get information on how to access information on different products and how to use their mobile money technology and applications. The information shared in this study may show different applications and facilities that mobile phone users can access from their phones like credit facilities and saving facilities.

1.7. Scope of the study.

1.7.1 Content scope.

The study focused on mobile phone technology impact on performance of the Small and Micro Enterprises in Mukono municipality.

1.7 Scope of the study

1.7.1 Geographical scope

Mukono District is located in the Central Region of Uganda. It is bordered by Kayunga District to the north, Jinja District to the east, Lake Victoria to the south, and the districts of Buikwe and Buvuma to the west. The district headquarters is located approximately 21 kilometres east of

Kampala, the capital city of Uganda. This study in particular was conducted in Mukono District and was chosen due to insufficient time, funds and resource constraints, since covering a greater geographical area could have required additional time, funds and other resources.

1.7.2 Content scope

The study will cover the concept of **mobile money technology** as an independent variable and performance **small and medium enterprises** will be the dependent variable. The study focused on mobile money services and the effect of Small and Medium Enterprises in Mukono Municipality. The study also examined the influence of mobile payments on the effect of SMEs, established the influence of mobile finance on the effect of SMEs and determined the effect of mobile banking on the effect of SMEs in Mukono Municipality. Mobile money services were measured in terms of mobile payments, mobile finance and mobile banking and effect of SMEs was measured in terms of number of employees, profitability and increased capital.

1.7.3 Time scope

The study will cover period of 7 months between April to November 2022. The period will be chosen because it is long enough to enable the researcher to analyze the effect of mobile phone relationship between inflation and economic performance in small scale industries and this time covers the following activities; research proposal writing, data collection, analysis and compilation of the final dissertation.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviews the available literature related to the purpose of this study, which analyzed the effect of mobile money technology on the performance of Small and Medium Enterprises. The literature was obtained from e-Journals, reports, dissertations, text books, and paper presentations, from university libraries and document centers.

2.1. The impact of mobile money Mobile payments and the performance of SMEs.

The extent to which the mobile payment usage would impact on performance depends largely on whether there is an enabling environment (Porteous, 2006). Mobile Money has widespread access and requires an enabling environment to enhance the success of its consumers. The micro businesses are spread throughout the country with huge clusters in the market areas and near shopping centers. This enables them to easily access the Mobile Money service providers for registration and to make cash deposits into their accounts. The mobile payment providers' agents are well distributed and easily accessible to the micro business owners for support of their services in Mbarara city.

Omwansa (2009) revealed that subscribers to mobile money transfers have adopted the technology because it's lesser cheaper to services at the banking hall. He asserts that sending money through mobile phone is much cheaper than using banks and other money transfer channels like securical firms. The lower transaction costs benefit is passed on to consumers (Mallat, 2007). Most SMEs owners have mobile handsets easy to operate and with all functionalities required in mobile banking making the transaction costs affordable and being below what banks charge.

Zollmann (2014) also postulates that until payments solutions solve real problems for the users themselves, we are unlikely to see wide scale usage of these payments mechanisms, and the benefits of mobile payments may not actually accrue to all players in the economy. Use of mobile money payments provides economies of scale in procuring of materials and reduces the supply chain (Donner & Escobari, 2010).

Wanyonyi & Bwisa (2013) determined the Impact of mobile money transfer services on the performance of SMEs. They found that SMEs use mobile money transfer for: B2B (business to business) transfer when making purchases from suppliers and C2B (customer to the business) transfers when customers buy from the business and for debt collection for credit sales contributes to improved performance of the micro enterprises. However, Wamuyu, et al. (2011) reported a limited use of mobile money transfer for B2B and B2C transactions as opposed to C2C and C2B e-commerce transactions though mobile money transfer, and that mobile internet services have a positive significant effect on the performance of SMEs.

Mbogo (2010) has established the success factors attributable to the use of mobile payments by Micro-business operators and revealed that the convenience of the money transfer technology plus its accessibility, cost, support and security factors relate to the behavioral intention to use and actual usage of the mobile payment services by the micro businesses to enhance their success and growth.

According to a study published in the Financial Sector Deepening Kenya (2009), when users of M-Pesa were asked to compare the service with their previous national money transfer service over 95% of users found that M-Pesa faster, more convenient, safer and cheaper. At the time of survey Safaricom offered service to 4,420,279 users through 4,781 MPesa agents. The ease of access compared very well with 887 bank branches and 1,424 ATMs countrywide. Given M-Pesa versus these other remittance services the strong growth of user numbers for M-Pesa shows that the introduction of M-Pesa has increased Kenya's payment infrastructure. With all these developments, Lipa na M-Pesa which is a product of M-Pesa is still at its infancy as can be deduced from the feedback of the respondents. Njenga (2009) states that although the mobile phone balances may seem low, the fact that there are balances proves that there is storage which

can be perceived as acceptance of deposits. This is a significant indication of the high value placed on the convenience associated with the use of the mobile payment services.

Omwansa (2009) states that a lost or stolen mobile phone does not mean catastrophe as no one can access an M-Pesa account without a correct personal identification number (PIN). He further explains that in a country where majority of people have no bank accounts, M-Pesa provides both convenience and safety. People walk around with their virtual money knowing they can withdraw cash any time at a minimal fee.

2.2. Mobile phone communication on marketing and SMEs performance

Through the use of mobile phones, consumers can now access detailed information about products or services at the point-of-sale, allowing for a better purchasing decision to be made in the moment (Mort & Drennan, 2002). Through the use of SMS marketing, small and medium enterprises are able to effectively establish brand recognition and recall with push advertising. Sending ad text messages assures high consumer exposure to the brand because messages are likely to reach the target almost every time. After reaching customers, the messages are kept in the mobile phone's storage and can be read at customers' convenience. Unlike e-mail, SMS does not have a subject line. Thus, the message is guaranteed to be opened before being deleted (Rettie et al., 2005). SMS also supports viral marketing (Doyle, 2000), which is beneficial to SMEs brands not only in terms of increased brand awareness but also peer influence (Scharl et al., 2005).

Mobile phone messages can be precisely adapted to individual preferences. They are thus more relevant to the consumer than non-personalized messages. However, the personal relevance of advertising messages also depends on the individual's propensity to receive information. Two-way communication is another feature that substantiates the potential of mobile devices in marketing. Mobile devices allow for greater two-way communication than any other tool because of their "always on" connectivity and short set up times.

With mobile phones SMEs are able to target location-specific products or services to potential customers. It is predicted that in the near future, location-based marketing will create many more

business opportunities through innovative applications like Bluetooth and RFID (radio frequency identification) (Komulainen, et al 2004). SMEs can make the best use of mobile technology to offer customers products or services that are relevant to their current location, which could result in more traffic to local stores with an immediate purchase (Bauer et al., 2005; Kannan, Chang, & Whinston, 2001).

Mobile technology offers small and medium enterprises the potential to promote products and services in a personalized and interactive way. Marketing content can be personalized based on a combination of parameters, such as demographic profile, customer purchasing behavior, situation, and location (Clarke, 2001; Varshney & Vetter, 2002). Because a mobile phone is always carried by its user, the channel provides small and medium enterprises with almost permanent opportunities to directly reach potential customers.

The mobile device allows customers to reach (or be reached by) the enterprises anywhere and anytime, in real time. Such conditions are important, particularly when there is time or location-sensitive information to be delivered (Anckar & D’Incau, 2002). In other words, the mobile phone increases consumer connectedness. In addition, the mobile phone allows for two way communication. The business value of this feature lies in its ability to enhance customer relations.

Offering products or services that meet customer needs and wants is an important part of mobile technology (Bovee, Houston, & Thill, 1995; Kotler & Armstrong, 2006). To achieve this, small and medium enterprises create database. The interactive capability of mobile phone campaigns allows small and medium enterprises to build up-to-date customer databases by inviting customers to sign up for a campaign, or text back information. The value of the captured information is then analyzed and used as the main factor in determining which products or services should be offered, and to whom. The desired result is in personalized offers being sent to individual customers, in response to specific customer needs and wants. Customized offerings lead to positive consumer attitudes toward that which is advertised (Xu, 2007), an increase in campaign response rates (Barutcu, 2007), and stronger relationships between firms and their customers (Vesanen, 2007).

Another major influence of mobile devices on the customer could be related to Customer Relation Management (CRM). Kannan et al. (2001) suggested four attributes that make the mobile medium a perfect channel for CRM: ability to offer personalized content, ability to track consumers across media, ability to provide service when customers need it, and ability to offer content with highly engaging characteristics. Similarly, Sinisalo, Salo, Karjaluoto and Leppäniemi (2007) asserted that the key characteristics of the mobile medium for CRM are flexibility, interactivity and personalization. Mobile customer relations management services are already in place in some countries, such as Italy, where most services are used in after-sales services to maximize customer satisfaction (Valsecchi, Renga, & Rangone, 2007).

Competition in the market places impacts on customer relations and customer satisfaction. To satisfy customers, firms must design, manufacture, and deliver products and services that meet their tangible and intangible needs better than their competitors, and provide superior value. In order to retain and maintain customers and build loyalty, firms provide quality after-sales and other services (Monga, 2000). ICT are playing a key role in the growth of customer relations management (CRM) practices. For example, to communicate with clients, sales forces in the field are supplemented by interactive web sites and call centers. In addition, advanced database technology, world-wide web integration, sales force automation and multi-media- 20 based front office applications are emerging as key elements of CRM. Evidence from surveys of managers and case study literature shows that the most important reasons for investing in ICT are product quality improvements, especially customer service, timeliness, and convenience (Bresnahan et al., 2002)

Small and medium enterprises in developing countries are increasingly utilizing mobile technology to increase their commercial potential. According to a World Bank study released in 2012, the benefits for small and medium enterprises who use mobile phones includes access to business information concerning stock piles and prices, data visibility for value chain efficiency and being able to tap into new and existing markets. When small and medium enterprises have access to information about prices and products, it helps them to reduce the risk of under-selling and of either over or under-supplying their products in a given market. The World Bank study shows that access to price information by small and medium enterprises has helped to increase

farming income by 24%. Sellers realized even greater gains of up to 57% with overall price reductions for consumers of around 4%.

Mobile services can also enable better access to markets and other value-chain stakeholders. Sellers are increasingly using their websites to relay on-line information on transport and logistics, with some of these services being provided on mobile phones. For example, through the use of voice and short message service (SMS) in Morocco, small and medium enterprises coordinate with local truckers to improve product transport and to identify where the best locations are for them to deliver their products. Some small and medium enterprises also make use of two-way trade by bringing products back from larger, regional markets to sell in their own rural communities.

2.3 Mobile banking and the performance of SMEs

Njenga (2009) asserts that the mode of usage is mostly influenced by missions and marketing strategies of M-Banking service providers. M-Banking users tend to use the service in many ways depending on the nature of activities and urgency, however, the “hype factor” is a unique dimension of use. Here, the usage of mobile banking is caused by excitement and imagination originating from the M-banking utilization environment. Banks might be better off by offering the service at lower costs to entice more customers and not for use on high charges which scare off potential customers. This way banks can increase their revenue sources through increased transactions volume.

According to Nasikye (2009), Mobile banking (m-banking) involves the use of a mobile phone or another mobile device to undertake financial transaction linked to a client account. According to (Owen, 2008) M-banking refers to provision and availing of banking and financial service with the help of mobile telecommunication device. Services include performing balance checks, account transactions, payments, credit applications and other banking transactions through a mobile device such as a mobile phone which is most used in developing countries or Personal Digital Assistant (PDA).

Nyaga (2013) examined the impact of mobile money services on the performance of SMEs, and found out that use of mobile money has made a significant contribution to the SME sector. First, majority of traders relies on it as opposed to the formal banking sector for their day-to-day transactions. Secondly, SME operators have a clear understanding of the basic functions of mobile money services. Banking services assist both customers and businesses to settle their transactions. As opposed to traditional banking services, mobile banking is a new innovation, where banking services done through a network referred to as branchless banking. Microenterprises obtain both transactional and informational services through this new technology. Information relating to account balance and notifications on transactions is also accessible easily. In addition, processing of loan proceeds, withdrawals, and depositing of funds are also doable (Ishengoma, 2011). Traditional banking exposes SMEs to risk associated with cash transactions but use of mobile banking reduces such risk, save them time and reduce cost of transport. Since the services are accessible within the premise, SMEs can dedicate their time to manage the business well thus reducing operational cost (Otiso et al., 2013; Jagun, et al., 2008).

Mobile banking services supplement traditional banking services and the frequency of use is not limited by time and locality. The services involve small, frequent transactions, which are convenient to use mobile banking services. Otiso et al. (2013) established that the highest percentage of SME uses mobile banking as opposed to traditional banking. Further, SMEs obtain both information and transactional services through their mobile phones. Mobile banking assists SMEs to access banking information about their bank account inquiries and mini statement. Mobile banking also saves them time on queuing and visiting the bank premise thus concentrating on their businesses. Micro business operators can make withdrawals within their business premise and consequently use the same to pay suppliers and utility bills. Wamuyu, et al. (2011) observed that it assists in reducing transport cost and risk associated with transacting in cash.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0. Introduction

This chapter explains the approaches that will be adopted in the study. It describes the research design, target population, area of study, sample size and sampling technique, data types and sources and the data collection instruments. It also includes the data analysis procedures that will be employed in the study.

3.1. Research Design

Research design is a conceptual structure within which research is conducted. Descriptive survey research design will be adopted. As Kothari (2008) asserted, descriptive survey enables the researcher to describe people who take part in the study. The aspect of survey will be based on the fact that, the study was conducted at a specific point in time, and the respondents cut across different groups. The aspect of survey was based on the fact that, the study was conducted at a specific point in time, and the respondents cut across different groups.

3.2. Target Population

The target population is the population to which the study findings will be generalized (Cooper & Schindler, 2003). The study will be limited to Small and Medium Enterprises in Mukono Municipality. The study targeted the proprietors of mobile money users in Mukono municipality According to the statistics from the Department of Trade, industry and local economic Development Mukono Municipal council. There are 150 Small enterprises in Mukono municipality. And these include mini supermarkets, hard wares, and Stationery, boutiques, and retail shops, restaurants among others.

3.3. Sampling Technique and Sample Size

This refers the general description of the actual sample that will be studied. The Sample size will be selected using the Morgan table technique; According to Krejcie & Morgan (1970) a study population of 150 respondents requires a sample size of 108 respondents. Therefore, the study will focus on 108 SMEs in Mukono Municipality. This will make it convenient to apply purposive sampling.

Source; Krejcie Morgan 1970

3.4. Data Collection Methods.

The study will use secondary data from the journals and primary data that will be collected directly from the respondents using a self-administered questionnaire.

3.4.1. Data Collection Instrument

Primary Data

Primary data will be collected by using a survey questionnaire. A survey questionnaire will be used in the study because it is more appropriate for collecting data for a social survey research (Kaplan, 1995) and where the target population is literate and capable of filling the questionnaire (Moser, 1979). The questionnaire will be designed with reference to variables of the study consisting of both structured and open ended questions. The structured questionnaire type will enable simple data analysis through tabulation with regard to frequencies and percentages.

Secondary Data

This will be collected from existing reports and journals related to mobile money technology and performance of SMEs. Furthermore, data will be collected from past researches carried out by different researchers about the same topic.

3.5. Reliability and Validity of the Research instruments

Reliability

Reliability in qualitative research has reached little attention in the development of methods; in fact to raise issues about the reliability of another's research has been considered taboo as if it is an accusation of incompetence (Kirk and Miller, 1986). Typically, qualitative interviews are assumed reliable when the same individual collects and analyses the data, as it is the case with this research. In this study, reliability of the instruments will be the degree of resistance, reliable instrument that will be given the same score when many or several times to measure the same variable provided had changed for a given entity.

Validity

Validity in qualitative interviews is only achieved through the relaxed conversational approach when gathering information. In contrast to strict survey interviews in which interaction is sometimes restricted, qualitative interviewing allows opportunity for both parties to clarify what is being said. To establish validity, the designed instruments will be availed to the supervisor for review and she give approval for administration in a pilot survey. The study will employ content validity whereby the researcher will specify the indicators which will be relevant to the concept being measured. A representative sample of indicators will be selected from the domain of indicators of the concepts of mobile money services and performance of SMEs.

3.7. Data Analysis.

The collected data will be analyzed by both descriptive with the aid of Microsoft Office Excel which involved frequencies and percentages for demographic data of respondents. The study will be qualitatively analyzed basing on the responses from the questionnaire by including only the relevant information obtained from questionnaire.

3.8. Ethical Consideration

The research introductory letter is obtained from Uganda Christian University, School Of Business. This enables the researcher permission to carry out data collection. The researcher then will administer questionnaires to the target respondents. Confidentiality will be highly observed and the entire relevant introduction will be done to all the respondents. The researcher will collect the filled questionnaires after two days and start report compilation.

3.9 Limitations to the study

The results of the study could not be over generalized because the geographical scope was only in Mukono Municipality.

The study faced the limitation of inability to reach as many respondents as possible due to their tight work schedules. However, the researcher made arrangement with the respondents at an appropriate time so as to get the required information for the study.

CHAPTER FOUR

PRESENTATION, INTERPRETATION AND ANALYSIS OF RESEARCH FINDINGS.

4.1 Introduction

This chapter presents data presentation, analysis and interpretation of research findings on the impact of mobile money services on performance of SMEs in Mukono Municipality. The findings were in form of descriptive statics. The presentation of the findings was in tandem with the research objectives and study variables. The study essentially presented characteristic of respondent's background followed by presentation of study objectives.

4.2 Background Information of Respondents

This section shows the gender of the respondents, age bracket, level of education attained, length of the business, position held, and type of ownership, number of employees and number of branches.

4.2.1 Gender of Respondents

Respondents were asked to state their gender and the findings in this are shown in table 4.1 below;

Table 4.1: Gender of the respondents

Gender	Frequency	Percentage
MALE	52	48.15
FEMALE	56	51.85
TOTAL	108	100.0

Source: Primary Data 2023

Table 4.1 above shows that 48.15% of the respondents were male whereas 51.85% were female. This implies that females were more than males, meaning that most SMEs in Mukono Municipality are dominated by females. This also shows that mobile money services are mostly used by females compared to males.

4.2.2 Age of the Respondents

The researcher computed the frequencies and percentages of the respondents' age distribution.

The findings on this are shown in Table 4.3 below;

Table 4.2.3: Age of the respondents

Age	Frequency	Percent
BELOW 25	32	29.63
26 – 35	37	34.26
36 – 45	26	24.07
46 – 55	13	12.04
Total	108	100.0

Source: Primary Data 2023

The findings showed that majority of the respondents were between the age of 26 and 35 years 34.26%, 29.63% were below 25years, 24.07% were between 36 and 45 years while only 12.04% were between 46 and 55 years. This implies that SMEs are majorly run by people in the youthful age bracket of 26-35 years. This could be attributed to the fact that most of the SMEs could be started by people in their earlier years of life as they seek to build them into big businesses. This also means that mobile money services are highly used by this age group since they were the majority.

4.2.4 Education Level of the Respondents

This was considered in the study since the researcher wanted to find out education level of the respondents running SMEs. The findings on this are presented in table 4.4 below;

Table 4.4: Education level of the respondents

Education level	Frequency	Percent
CERTIFICATE	43	39.81
DIPLOMA	14	12.96
DEGREE	48	44.44
MASTERS	3	2.78
Total	108	100.0

Source: Primary Data 2023

From the table 4.4 above, the findings indicated that most of the respondents had a Bachelor's degree 44.44%, 39.81% had certificates, 12.96% had Diploma while only 2.78% had a Master's degree. This implies that majority of the respondent's attained Bachelor's degree while only few attained Master's degree. The implication here is that most of the SMEs are run by educated people thus able to manage their businesses. This also shows that mobile money services are mostly used by people who were educated and were knowledgeable in answering the questions.

4.2.5 Period of Operating Business

In this regard the researcher sought to establish the number of years the respondents have been operating their businesses. The findings on this are shown in table 4.5 below

Table 4.5: Period of operating business

Period of business	Frequency	Percent
BELOW 1 YEAR	11	10.19
1 – 3	62	57.41
4 – 6	20	18.52
7 – 9	6	5.56
10 YEARS ABOVE	9	8.33
Total	108	100.0

Source: Primary Data 2023

The findings showed that majority of the businesses had operated for a period of 1 and 3 years 57.41%, followed by those that had operated between 4 and 6 years 18.52%, 5.56% had been in operation for a period between 7 and 9 years while 10.19% had been in operation for less than 1 year and only 8.33% had been in operation for more than 10 years. The implication here is that most SMEs in Mukono Municipality have been in operation for more than one year, meaning that the respondents were knowledgeable enough to avail the required data concerning mobile money services.

4.2.6 Position Held by Respondents in Business

The study was interested in finding out the position held by respondents in the business. Findings on this are indicated in table 4.6 below;

Table 4.6: Position held by respondents in business

Position held	Frequency	Percent
OWNER	67	62.04
EMPLOYEE	34	31.48
PARTNER	7	6.48
TOTAL	108	100.0

Source: Primary Data 2023

The study found that 62.04% representing majority of the respondents were the business owners, followed by the employees 31.48% whereas 6.48% were business partners. This implies that most SMEs in Mukono Municipality are managed by the owners and this helped the researcher to achieve the target of the study since much emphasis was put on business owners.

4.2.7 Type of Ownership

The study was interested in finding out the ownership of SMEs in Mukono Municipality and the findings on this are indicated in table 4.7 below;

Table 4.7: Type of ownership

Type of ownership	Frequency	Percent
SOLE	100	92.59
PARTNERSHIP	8	7.41
Total	108	100.0

Source: Primary Data 2023

The study found that majority of the businesses were sole proprietorship 92.59% and only 7.41% were partnerships. This shows that majority of the businesses in the area of study were sole proprietorships compared to partnerships.

4.2.8 Number of Employee

The study sought to find out the number of employees in SMEs within Mukono Municipality and findings on this are indicated in table 4.8 below;

Table 4.8: Number of employee

Number of employee	Frequency	Percent
1 – 5	90	83.33
6 – 10	10	9.26
11 – 15	7	6.48
16 ABOVE	1	0.93
Total	108	100.0

Source: Primary Data 2023

Table 4.8 above shows that majority of the SMEs had between 1 and 5 employees 83 .33%, 9.26% had between 6 and 10 employees whereas 6.48% had between 11 and 15 employees and only 0.93% had more than 16 employees. This implies that most SMEs in Mukono Municipality employ between one and five people in their businesses.

4.3 Theinfluence of mobile payments on SMEs performance

This was one of the key objectives of the study and the respondents were asked to classify their opinions in regard to the use of mobile payments in their business. The findings on this are presented in table 4.10 below;

Table 10: Descriptive Statistics on the effect of mobile payments on SMEs

	N	Minimum	Maximum	Mean	Std. Deviation
I use mobile phone to pay my suppliers	108	1.00	5.00	3.5648	1.41602
I also transfer money through mobile phone to my colleagues in business	108	1.00	5.00	3.0370	1.36667
I don't receive cash from my clients Since I have fully adopted mobile money services.	108	1.00	5.00	2.3704	1.14052
I also accept payments through mobile money from my clients	108	1.00	5.00	3.6204	1.33057
Mobile payments have enhanced the efficiency of doing business	108	1.00	5.00	3.0278	1.38387
Mobile payments is convenient for my transactions	108	1.00	5.00	3.0093	1.33526
Average				3.72594	1.32881

Source: Primary Data 2023

Table 4.10 indicates that the average mean value is 3.72594, which means that respondents agreed that mobile payments have influence on the SMEs. The average standard deviation value is 1.32881, which means that respondents had variation regarding the claim that mobile payments have influence on the performance of SMEs.

From information revealed by table 4.10, respondents agreed that they use mobile phone to pay their suppliers. This is revealed by a mean value of 3.5648. However, a standard deviation value of 1.41602 under the same test revealed varied responses from the respondents interviewed. This implies that most SMEs use mobile phone to pay their suppliers since majority of the respondents were in agreement with the claim. The above findings are in line with Wanyonyi & Bwisa (2013), who established that SMEs use mobile money transfer for: B2B (business to business) transfer when making purchases from suppliers.

From table 4.10, it can be revealed that respondents transfer money through mobile phone to their colleagues in business. This is shown by a mean value of 3.0370, although the standard deviation of 1.36667 under the same test revealed varied responses from the respondents. This implies SMEs use mobile money transfer for business to business transactions as mentioned by Wanyonyi & Bwisa (2013).

From the information collected from respondents according to table 4.10, it is clear that to some extent, SMEs don't receive cash from their clients since they have fully adopted mobile money services. This is revealed by a mean value of 2.3704. However, a standard deviation of 1.14052 reveals varied responses from the respondents interviewed over the same test. The information revealed above could be an explanation of SMEs using mobile money transfer for C2B (customer to the business) transfers when customers buy from the business and for debt collection for credit sales as revealed by Wanyonyi & Bwisa (2013).

Table 4.10 reveals that majority of respondents agreed that they also accept payments through mobile money from their clients. This is revealed by a mean value of 3.6204. The standard deviation of 1.33057 reveals that there were varied responses from the respondents interviewed. This means that to a greater extent, SMEs accept payments through mobile money from their clients. The above findings are in agreement with Wanyonyi & Bwisa (2013), who stated that SMEs use mobile money transfer for customer to the business transfers when customers buy from the business.

The results of the survey as reflected in table 4.10 revealed that mobile payments have enhanced the efficiency of doing business. This is revealed by a mean value of 3.0278. However, a standard deviation of reveals that there were varied responses from the respondents as to whether mobile payments have enhanced the efficiency of doing business. According to Kakwa (2012), there is an influence of adoption and use of mobile phone technology among SME's through increased internal efficiency.

From table 4.10 above, respondents seem to marginally agree with the claim that mobile payments are convenient for their transactions as reflected by the mean value of 3.0093. However, a standard deviation figure of 1.33526 reveals varied responses from the respondents on the same, implying that they have different opinions about the claim. The findings are in line with Mbogo (2010), who established that the success factors attributable to the use of mobile payments by Micro-business operators is the convenience of the money transfer technology plus its accessibility, cost, support and security.

4.4 The influence of mobile finance on SMEs

This was one of the key objectives of the study and the respondents were asked to classify their opinions in regard to the influence of mobile finance on the performance of SMEs. The findings on this are indicated in table 4.11 below;

Table 4.11: Descriptive statistics on the influence of mobile finance on SMEs

	N	Minimum	Maximum	Mean	Std. Deviation
Mobile finance has enabled me gain enough finance to my business	108	1.00	5.00	3.3259	1.41894
Through use of mobile finance am able to access loan from financial institution	108	1.00	5.00	3.3426	1.23925
Access to mobile finance enables my quick response to customer's need	108	1.00	5.00	3.2593	1.36286

The presence of mobile finance relieves me the problem of having to open a bank account	108	1.00	5.00	3.5630	1.17351
Through mobile finance am able to save money from my business proceedings	108	1.00	5.00	3.3241	1.16674
Average				3.36298	1.060217

Source: Primary Data 2023

The results on table 4.11 indicate that the average mean value is 3.36298, which indicates that respondents agreed that mobile finance has an influence on SMEs. The average standard deviation is 1.060217, which indicates that respondents had variation in responses regarding the claim that mobile finance has an influence on the performance of SMEs.

The study found that mobile finance has enabled SMEs gain enough finance to their business. This is shown by the mean of respondents as computed by the system as 3.3259. Nevertheless, the corresponding standard deviation of 1.41894 suggests that respondents had variation in responses on the claim that mobile finance has enabled them gain enough finance to their business. However, the standard deviation value could also be interpreted to imply that some of the respondents were not sure about the claim. The results in this section are in line with Govil et al. (2014) who stated that mobile finance enhances economic performance, growth and empowerment of businesses.

From the survey, as reflected in table 4.11, it can be revealed that respondents agreed to a greater extent that through use of mobile finance, they are able to access loan from financial institution. This is revealed by a mean value of 3.3426, although the standard deviation of 1.23925 under the same test revealed a variation in responses generated. The above findings are in line with Kakwa (2012), who asserted that SMEs can access credit through mobile finance that helps them achieve short-term needs of the business.

From the results of the survey as reflected by Table 4.11, respondents seem to agree with the claim that access to mobile finance enables their quick response to customer's need. This is revealed by a mean of 3.2593. However, a standard deviation of 1.36286 suggests a variation in the responses generated by the respondents. This implies that access to mobile finance enables SMEs quick response to customer's need since majority of the respondents were in agreement with the claim. The above findings are in line with Kakwa (2012), who established that there is an influence of adoption and use of mobile phone technology among SME's through faster response to customers' needs.

Results of the survey in table 4.11 show a mean of 3.5630 which implies that the respondents agreed that the presence of mobile finance relieves them from the problem of having to open a bank account. However, a standard deviation of 1.17351 suggests varied responses on the same test. This means that KCCA gets revenue through interest and property income which increases revenue collections.

The analysis of results in Table 4.11 reveal a mean of 3.3241, implying that the respondents were in agreement with the claim that through mobile finance, they are able to save money from their business proceedings. However, a standard deviation of 1.16674 reveals variation in the opinions of the respondents over the same test. The above findings are in agreement with Kakwa (2012), who stated that mobile finance assists SMEs to save and get credit.

4.5 The effect of mobile banking on SMEs

This was one of the key objectives of the study and the researcher wanted to find out the effect of mobile banking on SMEs. The findings on this are indicated in table 4.12 below;

Table 4.12: Descriptive statistics on the effect of mobile banking on SMEs

	N	Minimum	Maximum	Mean	Std. Deviation
Mobile banking enables me withdraw cash from my bank account	108	1.00	5.00	3.6944	1.17972
Am able to make deposit to my bank account through mobile banking	108	1.00	5.00	3.0463	1.36980
Presence of mobile banking has Prevented theft of money that arises from storing a lot of money in the business premises.	108	1.00	5.00	3.4630	1.16351
Am able to access my account balance through my phone	108	1.00	5.00	3.5926	1.06812
Am able to request for bank statements through my phone	108	1.00	5.00	3.3704	1.15680
I rely on mobile banking for all my banking transactions.	108	1.00	5.00	3.3333	1.34651
Average				3.41667	1.44237

Source: Primary Data 2023

The results on table 4.12 indicate that the average mean value is 3.41667, which shows that respondents agreed that mobile banking has an effect on SMEs. The average standard deviation is 1.44237, which shows that respondents had variation in responses regarding the claim that mobile banking has an effect on SMEs.

The study found that mobile banking enables respondents to withdraw cash from their bank account. This is shown by the mean of 3.6944. Nevertheless, the corresponding standard deviation of 1.17972 suggests that respondents had variation in responses on the claim that mobile banking enables respondents to withdraw cash from their bank account. The results in

this section are in line with Ishengoma (2011) who stated that through mobile banking, withdrawals and depositing of funds are doable.

The analysis results in table 4.12 reveal that respondents are able to make deposit to their bank account through mobile banking as reflected by a mean value of 3.0463. However, there is variation in the response rates of the respondents regarding the claim that they are able to make deposit to their bank account through mobile banking as revealed by a standard deviation of 1.36980. The above findings are in line with Ishengoma (2011) who stated that depositing of funds are doable with mobile banking.

The results as reflected in table 4.12 show a mean value of 3.4630. This implies that the respondents agreed on the claim that presence of mobile banking has prevented theft of money that arises from storing a lot of money in the business premises. However, a standard deviation of 1.16351 raises concerns regarding the claim that presence of mobile banking has prevented theft of money that arises from storing a lot of money in the business premises. The above results are in line with Ishengoma (2011) who stated that traditional banking exposes SMEs to risk associated with cash transactions but use of mobile banking reduces such risk.

The study found that respondents agreed that they are able to access their account balance through their phone. This is indicated by the mean value of 3.5926 which shows that they agreed about the claim. However, the corresponding standard deviation also revealed a value of 1.06812. This shows that there was a clear variation in the responses provided by the respondents about the claim that they are able to access their account balance through their phone. The above findings are in line with Nyaga (2013) who established that information relating to account balance and notifications on transactions is easily accessible with mobile banking.

Study findings revealed that respondents agreed that they are able to request for bank statements through their phone as reflected by the mean value of 3.3704. However, a standard deviation of 1.15680 suggests varied responses regarding the claim that respondents are able to request for bank statements through their phone. The respondents being able to request for bank statements through their phone agrees with Owen (2008) who asserted that m-banking involves providing

and availing of banking and financial services like balance checks, account transactions, payments, credit applications and other banking transactions with the help of mobile telecommunication device.

Study findings revealed that respondents agreed that they rely on mobile banking for all their banking transactions as reflected by the mean value of 3.3333. However, a standard deviation of 1.3465 suggests varied responses regarding the claim that they rely on mobile banking for all their banking transactions. The above findings rhythm with Nyaga (2013) who established that mobile banking services assist both customers and businesses to settle their transactions.

Microenterprises obtain both transactional and informational services through Mobile banking.

4.6 The effect of mobile money on SMEs

The effects of SMEs was examined by analyzing data collected under dimensions of the effect and computing for the mean and standard deviation of the responses to the statements. Details of these analyses are shown in table 4.13 below;

Table 4.13: Descriptive statistics of the effect of mobile money technology on SMEs

	N	Minimum	Maximum	Mean	Std. Deviation
Ability of gaining credit facilities Through mobile money has enabled me to gain enough capital to grow and empower my business.	108	1.00	5.00	2.9722	1.25645
My business has grown to the extent of employing more people to assist in running of the business.	108	1.00	5.00	3.2130	1.20785
I have seen an increase in profit in my business since I started using mobile money service	108	1.00	5.00	3.7037	1.03454
Mobile money services provided					

alternatives source of credit from bank which were difficult to obtain	108	1.00	5.00	3.0463	1.42333
The use of several branches of Mobile services has effectively enabled me expand my business through opening new branches.	108	1.00	5.00	3.6574	1.26906
Use of mobile money services has been an effective help in the growth of my business	108	1.00	5.00	3.1111	1.54879
Average				3.28395	1.290003

Source: Primary Data 2023

Table 4.13 indicates that the average mean value is 3.28395, which means that respondents agreed that there is growth performance of SMEs as a result of mobile money services. The average standard deviation value is 1.290003, which means that respondents had variation on the claim that there is a significant and an effective performance of SMEs as a result of mobile money services and technology.

From information revealed by table 4.13, respondents believe that ability of gaining credit facilities through mobile money has enabled them to gain enough capital to grow the performance of their business. This is revealed by a mean value of 2.9722. However, a standard deviation value of 1.25645 under the same test revealed varied responses from the respondents interviewed. This implies that ability of gaining credit facilities through mobile money has enabled SMEs to gain enough capital to grow their business's performance since majority of the respondents were in agreement with the claim. The above findings are in line with Atieno (2009), who established that access to financial resources has been seen as one of the reasons for the effective and efficient performance of SMEs.

From table 4.13, it can be revealed that business has expanded to the extent of employing more people to assist in running of the business. This is shown by a mean value of 3.2130, although the standard deviation of 1.20785 under the same test revealed varied responses from the respondents.

From the information collected from respondents according to table 4.13, it is clear that they have seen the increased profit in their business since they started using mobile money service. This is revealed by a mean value of 3.7037. However, a standard deviation of 1.03454 reveals varied responses from the respondents interviewed over the same test. The above findings rhythm with Mbogo (2010), who established that mobile money promotes entrepreneurship by providing a platform for development of new services and enhancing the growth of small enterprises.

Table 4.13 reveals that respondents agreed that mobile money services provided alternatives source of credit from bank which were difficult to obtain. This is revealed by a mean value of 3.0463. The standard deviation of 1.42333 reveals that there were varied responses from the respondents interviewed. This means that mobile money services provide alternatives source of credit from bank which were difficult to obtain since majority of the respondents were in agreement with the claim. The above findings are in agreement with Guagraw (2007), who stated that the objective of mobile financial transactions is to improve the efficiency of microfinance by using mobile technology to make transactions faster, cheaper and more secure.

The results of the survey as reflected in table 4.13 revealed that the use of several branches of mobile services has enabled SMEs to expand their business through opening new branches. This is revealed by a mean value of 3.6574. However, a standard deviation of 1.26906 reveals that there were varied responses from the respondents as far as this test was concerned. This is in line with Mbogo (2010) who established that mobile money promotes entrepreneurship by providing a platform for development of new services and by enhancing performance of small enterprises.

From table 4.13 above, respondents seem to marginally agree with the claim that use of mobile money services has been a great help in the growth of business as reflected by the mean value of 3.1111. However, a standard deviation figure of 1.54879 reveals varied responses from the respondents on the same, implying that they have different opinions about the claim. The findings are in line with Mbogo (2010) who argued that usage of the mobile payment services by the micro businesses enhance their success and growth.

4.7 The relationship between mobile money services and their effects on SMEs.

This was considered in the study since the researcher wanted to find out the relationship between mobile money services and effect on SMEs. A Pearson`s correlation test was run to show the relationship between mobile money services and the effect on SMEs. The level of acceptance of the relationship was when Pr=0.005 and below. The results on this are indicated in table 4.14 below;

Table 4.14: The relationship between mobile money services and their effect on SMEs

Correlations

		Mobilemoney services	Effect of SMEs
Mobilemoney services	Pearson Correlation	1	.837**
	Sig. (2-tailed)		.000
	N	108	108
Effects of SMEs	Pearson Correlation	.837**	1
	Sig. (2-tailed)	.000	
	N	108	108

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Primary Data 2023

The results from table 4.14 above indicate that mobile money services have positive correlation to the effect of SMEs equal to 0.837 and the p-value is .000 which is less than 0.01. This means that there is a significant relationship between mobile money services and effect on SMEs`performance. The implication here is that mobile money services have positive influence on the expansion of SMEs since there are mobile payments, mobile finance and mobile banking.

4.8 Multiple Regression Analysis

Regression analysis was done between mobile money technology and the impact on the performance of SMEs and the results are shown in table 4.15 below;

Table 4.15: Multiple Regression Analysis

Coefficients.						
Model		Unstandardized		Standardized	T	Sig.
		Coefficients		Coefficients		
		B	Std. Error	Beta		
1	(Constant)	-.284	.082		-3.475	.001
	Mobile payments	.296	.084	.296	3.514	.000
	Mobile finance	.173	.083	.173	2.008	.048
	Mobile banking	.560	.045	.560	11.594	.000

a. Dependent Variable: effect on SMEs

Source: Primary Data 2023

From the above table 4.15, the results suggest that an increase in mobile payments will increase its effects on SMEs by 29.6%, an increase in mobile finance will increase its effect on SMEs by 17.3%. It is also seen that an increase in mobile banking will increase the growth of SMEs by 56%. This shows that mobile banking influences its effect on SMEs ($\beta=0.560$ and $p=0.000$) and then mobile payments ($\beta=0.296$ and $p=0.000$). The two coefficients were found to have significant impact on SMEs ($p<0.05$). Despite having positive coefficients, mobile finance ($\beta=0.173$ and $p=0.048$) was not significant ($p>0.05$).

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction.

This chapter presents summaries of study findings as per the study objectives, conclusions based on those findings and recommendations based on both the study findings and other relevant literature considered necessary and vital to be used in future to improve the study situation.

5.2 Summary of major findings.

This section shows summary of the major findings in accordance with research objectives and questions.

5.2.1 The influence of mobile payments and its effects on SMEs.

Findings revealed that SMEs use mobile phone to pay their suppliers and this is revealed by a mean value of 3.5648. It was established that SMEs accept payments through mobile money from their clients and this is revealed by a mean value of 3.6204. In addition, mobile payments are convenient for SMEs transactions as reflected by the mean value of 3.0093.

5.2.2 The influence of mobile finance and its effects on SMEs.

The study found that mobile finance has enabled SMEs gain enough finance to their business as revealed by mean of 3.3259. It was established that the presence of mobile finance relieves SMEs from the problem of having to open a bank account as shown by mean value of 3.5630. It was also found that through mobile finance, SMEs are able to save money from their business proceedings as revealed by a mean of 3.3241.

5.2.3 The effect of mobile banking on SMEs.

The findings indicated that mobile banking enables SMEs to withdraw cash from their bank account and this is shown by the mean value of 3.6944. It was established that presence of mobile banking has prevented theft of money that arises from storing a lot of money in the business premises as revealed by a mean value of 3.4630. In addition, SMEs are able to access their account balance through their phone as indicated by the mean value of 3.5926.

5.3Conclusions

The study findings revealed a strong positive relationship between mobile payments, mobile finance, mobile banking and their effect on SMEs. This study concludes that mobile payments, mobile finance and mobile banking have positive influence and the impact on SMEs.

5.4Recommendations

The study recommends that SMEs should put emphasis on mobile payments in order to make business to business transfer when making purchases from suppliers, customer to the business transfers when customers buy goods from the business and for debt collection for credit sales so as to ensure improved performance and growth.

SMEs should use mobile finance services so as to assist them to pay for their insurance premiums, accumulate assets and obtain credit.

SMEs should also use mobile banking (m-banking) to undertake financial transaction linked to their account and have access to services such as performing balance checks, account transactions, payments, credit applications and other banking transactions through a mobile device.

5.5Areas of future research

To the future researcher, more research should be done on the following areas;

The effect of mobile banking on financial performance.

The challenges faced in using mobile money services.

The different services offered by mobile banking.

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RESEARCH QUESTIONNAIRE

TOPIC: THE IMPACT OF MOBILE MONEY SERVICES ON THE GROWTH OF SMALL AND MEDIUM ENTERPRISES IN MUKONO MUNICIPALITY.

(To be filled in by the owners of small and medium enterprises in Mukono municipality).

Dear Sir/Madam,

I am karigirwa Hope, Reg. No. J22B33/028 student of Uganda Christian University Pursuing a Degree of science in accounting and finance. I am currently conducting a study on the effect of mobile money technology on the performance of Small and Medium enterprises in Mukono municipality. The study is purely for academic purposes and the information given will be treated with utmost confidentiality. I therefore, humbly request you to spare some time and answer the following questions.

SECTION A. Background information.

Instruction: Tick or Write answers in full where applicable.

SECTION A: BIODATA

Instruction: Tick or Write answers in full where applicable.

1. Gender

a) Male

b) Female

2. Age bracket: (years)

a) Below 25 years b) 26-35 years c) 36-45 years 6-55yrs

3. Level of education attained

- a) Certificate b) Diploma c) Degree d) Masters

Others specify.....

4. How long have you been in this Business?

- a) Below 1 year b) 1-3 years c) 4-6 years d) 7-9 years
e) 10 years and above

5. Position held in the business (tick appropriately)

- a) Owner b) employee c) Partner

6. Type of ownership

- a) Sole b) Partnership c) Company

7. Number of employee

- a) 1-5 b) 6-10 c) 11-15 d) 16 and above

8. Number of branches

- a) 1 b) 2-5 c) above 6

SECTION B: MOBILE PAYMENTS AND THE GROWTH OF SMEs

Instructions:

On a scale of 1-5, tick in the appropriate box on how you strongly agree or disagree with the statements given.

Scale	1	2	3	4	5
	Strongly Dis Agree	Dis Agree	Not sure	Agree	Strongly Agree

Statement	5	4	3	2	1
1.I use mobile phone to pay my suppliers					
2.Mobile payments is convenient for my transactions					
3.I also transfer money through mobile phone to my colleagues in business.					
4.Mobile payments have enhanced the efficiency of doing business					
5.I don't receive cash from my clients since I have fully adopted mobile money services					
6.I also accept payments through mobile money from my clients					

SECTION C: MOBILE FINANCE AND THE GROWTH OF SMEs

Instructions:

On a scale of 1-5, tick in the appropriate box on how you strongly agree or disagree with the statements given.

Scale	1	2	3	4	5
	Strongly DisAgree	Dis Agree	Not sure	Agree	Strongly Agree

Statement	5	4	3	2	1
1.Mobile finance has enabled me gain enough finance to my business					
2.Through use of mobile financeI am able to loan from financial institution					
3.Through mobile finance I am able to save money from my business proceedings.					
4.Access to mobile finance enables my quick response to customer’s need.					
5.The presence of mobile finance relieves me the problem of having to open a bank account.					

SECTION D. MOBILE BANKING AND PERFORMANCE OF SMEs

Instructions:

On a scale of 1-5, tick in the appropriate box on how you strongly agree or disagree with the statements given.

Scale	1	2.	3	4	5
	Strongly Disagree	Dis Agree	Not sure	Agree	Strongly Agree

Statement	5	4	3	2	1
1.Mobile banking enables I withdraw cash from my bank account.					
2.Am able to access my account balance through my phone.					
3.Am able to make deposit to my bank account through mobile banking					
4.Presence of mobile banking has prevented theft of money that arises from storing a lot of money in the business premises.					
5.Am able to request for bank statements through my phone					
6.I rely on mobile banking for all my banking transactions.					

SECTION E: RESPONDENTS ON SMEs’ GROWTH ANDPERFORMANCE

Statement	5	4	3	2	1
2.Ability of gaining credit facilities through mobile money has enabled me to gain enough capital to grow my business.					

3. My business has effectively grown to the extent of employing more people to assist in running of the business					
4. I have seen growth in profit in my business since I started using mobile money services					
5. Mobile money services provided alternative source of credit from banks which were difficult to obtain.					
6. The use of several branches of mobile services has enabled me expand my business through opening new branches.					

Thank you very much for your time, cooperation and sincerity may God bless you.

APPENDIX II: KREJCIE AND MORGAN (1970) TABLE

<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	1000000	384

Note.—*N* is population size. *S* is sample size.

Source: Krejcie & Morgan, 1970



UGANDA CHRISTIAN UNIVERSITY

A Centre of Excellence in the Heart of Africa

SCHOOL OF BUSINESS

1st Aug 2023

TO WHOM IT MAY CONCERN

Name:

Reg. No.

A bachelor's student who is seeking permission from your office to collect data for his/her dissertation titled

“.....”

We shall be grateful if you could render assistance to him/her in collecting the necessary data for his/her dissertation

The Uganda Christian University School of Business thanks you in advance

.....
Mukisa Simon Peter
Research coordinator