FINANCIAL ACCESSIBILITY AND GROWTH OF SMES : A CASE STUDY OF MUKONO MUNICIPAL IN UGANDA

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A DISSERTATION SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF A DEGREE OF BACHELOR OF SCIENCE IN ACCOUNTING AND FINANCE FROM UGANDA CHRISTIAN UNIVERSITY

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UGANDA CHRISTIAN UNIVERSITY

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DECLARATION

I thus declare that this is my own original work that hasn't been shown at any other post-secondary educational institution. It is the outcome of individual effort for which proper acknowledgment has been given, and it owes no debt to anyone else.

Signature .... Date: 16/09/2024

MANIMANI BIRINDWA KENNY

J22B33/084

APPROVAL

This certifies that Manimani Birindwa Kenny, under the full direction and supervision of Mr Nicson Katisme, wrote and assembled the research report, which has Research Number J22B33/084. In partial completion of the requirement for the award of a Bachelor of Business in Science of Accounting and Finance from Uganda Christian University, it is therefore presented for inspection with my consent.

Signature: .... Date: 16/9/2025

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Although writing a research report has not been without its difficulties, I would like to take this opportunity to thank God for his wisdom and good health that have supported me throughout my academic career.

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I also want to thank my friends, who have always been there for me when I needed them, and my lecturers for their tremendous support throughout my schooling.

Above all, I sincerely appreciate God Almighty for giving me the fortitude and perseverance to finish this research report in spite of the many obstacles faced.

May you all be blessed

DEDICATION

This project is dedicated to my parents, MANIMANI BARHADOSA and ZENA BAHARANYI, for their unwavering support and selflessness in helping me complete my graduate studies.

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SMEs: Small and Medium Enterprises

MFIs: Microfinance Institutions

UGX: Ugandan Shilling

UBOS: Uganda Bureau of Statistics

SPSS: Statistical Package for the Social Sciences

UCU: Uganda Christian University

GDP: Gross Domestic Product

ABSTRACT

This study looked at the relationship between financial accessibility and the expansion of SMEs in Uganda's Mukono Municipality. The need to comprehend how different financial accessibility issues affect SME growth in the current economic environment was the main subject addressed. The study's objectives were to appraise the impact of branch networks of financial institutions, investigate the impact of digital banking services, and determine how geographical distribution of financial services affects SMEs' access to capital. The research design utilized a mixed-methods strategy, which combined qualitative and quantitative data collection methodologies. While surveys were used to collect data on the financial inclusion experience, in-depth interviews with owners and managers of small and medium-sized enterprises were conducted to gain an in-depth understanding. Areas with well-distributed branch networks and access to digital banking services and proximity to financial institutions saw greater levels of financial growth, operational efficiency, and market competitiveness. However, it was observed that full accessibility to financing by SMEs was hindered by aspects such as low financial literacy, high transaction costs, and unequal geographical distribution of financial services. Among recommendations put forward towards improving SME access to finance are utilization of digital banking, expansion of branch networks, and targeted financial literacy campaigns. The conclusion of the study points to how financial accessibility bears highly on SME expansion, while giving recommendations that are achievable to increase access to financial services for the long-term expansion and financial success of SMEs in Mukono Municipality.

CHAPTER ONE:

1.0 Introduction

This study was engaged in investigating the financial accessibility and growth of SMEs in Mukono Municipality, Mukono District. In this regard, it is important to note that financial accessibility has lately been propagated as one of the main development strategies that can improve the growth and sustainability levels of SMEs. This is attributed to the fact that it can efficiently respond to the financial needs of SMEs through the provision of financial services to those business entities not well-served by the formal banking sector. The background of the study, statement of the problem, purpose of the study, research objectives, research questions, hypothesis, scope of the study, significance of the study, and operational definitions of key terms are outlined in this chapter.

1.1 Background of the Study

SMEs are, however, some of the vital variables in the economic development of Uganda. According to Musoke & Oloko, 2018, SMEs are the very important contributors to the economy in which they create avenues for employment, innovativeness, and competitiveness in the economy. In Uganda, the SME sector occupies about 90 percent of the private sector, provides jobs for millions, and has grown remarkably to create a huge gross domestic product in the country. Despite their importance, SMEs face many obstacles; limited access to financial services is perhaps one of the most important constraints to SME development and sustainability" (Kasekende, 2019). The concept of accessibility to finance does not simply relate to making credit available to SMEs.

The services range from savings accounts, payment systems, insurance, and advisory services. Access to these services assists the SMEs to manage cash flow, invest in new technologies, and expand businesses. However, most developing countries like Uganda have a number of factors that make it difficult for SMEs to access these financial services, which include high-interest rates, stringent collateral requirements, and absence of customized financial products. These broader trends in financial accessibility therefore have shaped the growth of SMEs in Mukono Municipality. African Development Bank 2019.

Historically, SMEs in Mukono faced huge barriers in trying to get formal financial services: high costs and inadequacy of banking infrastructural facilities were major obstacles. With the establishment of MFIs and the introduction of microfinance programs, temporary relief came to the people, as, for the first time, many SMEs were able to reach out for credit and other forms of financial services. More so, the coming of electronic banking and mobile money operations has also added impetus toward improving access to finance for SMEs in Mukono. These services have also allowed SMEs to overcome some barriers associated with traditional banking, such as physical bank branches and high costs of transactions. "Despite these enhancements, SMEs in Mukono still experience challenges in accessing sufficient financial services, especially on the level of digital banking adoption and an uneven geographical distribution of financial institutions" Kasekende, L. A., & Opondo, H., 2018.

Digital banking services have been seen to form part of the potential solution to some of these issues. By leveraging technology, digital banking was able to better offer SMEs not only more accessible and convenient but also more affordable financial services. Mobile banking, internet banking, and fintech solutions create avenue opportunities whereby SMEs could evaluate access to financial services without necessarily requiring a bank branch presence. This can be especially useful in instances of areas that have relatively less banking infrastructure, such as rural and peri-urban areas. "Adoption of digital banking services by SMEs in Uganda is, however comparably low hence the need to understand the causes of such a trend" By Mwesige, J., & Ssekabira, H., 2019, done to comprehend the causes of such a trend.

The distribution of the branch network is another important influential aspect in SMEs' financial accessibility. The well-distributed branch network can improve access to banking services, and this has facilitated SMEs' access to banking services. Bank branches are unequal in Uganda, with more banks located in cities than in rural areas. As by Tumusiime-Mutebile E. (2020), "This discrepancy could make capital acquisition even more difficult for the SMEs in less developed areas and may reduce their ability to grow and compete effectively.".

Geographical dispersion remains one of the factors that are highly regarded to determine the level of financial accessibility to SMEs. The accessibility of financial services to SMEs may be influenced by the level of presence different levels of geography. "The geographic distribution of financial services varies within Mukono Municipality, where certain regions have better access to financial institutions such as banks compared to others" (Kiiza & Asiimwe, 2021). "Developing solutions to enhance SMEs' access to financial services requires an understanding of how this geographic distribution impacts their financial accessibility” (Mugume, 2017).

1.2. Statement of the problem:

These are major barriers to pursuing financial services, which inhibits their growth. "These include unequal branch networks of financial institutions, unequal geographic distribution of financial services, and limited access to digital banking services" Beck, T., Dermirguc-Kunt, A., & Levine, R. 2005. These problems, when solved, will have the ability to enhance financial inclusions and increase growth potential for SMEs in the area. This study aimed at improving understanding of the issues SMEs face in Mukono Municipality with regard to financial accessibility, and further provided recommendations to improve their capacity in the use of financial services" (Musoke & Oloko, 2018).

In spite of the rapid improvements made in the digital banking technologies, most SMEs in Mukono Municipality are still applying the traditional methods of banking. The most common reasons advanced for such reliance include poor levels of connectivity to the internet, misuse of trust in digital financial services, and lack of digital literacy" (Namuyimba & Tumwine, 2020). The advantages that come with digital banking, such as ease of access to financial products, speedier payment processing, and reduction in costs of transactions, therefore become lost on SMEs. It is, therefore, imperative that obstacles inhibiting digital banking utilization be identified and their causes addressed to improve financial inclusions of small and medium-sized enterprises within Mukono Municipality.

The financial institution's branch network is concentrated primarily within Mukono's urban areas, leaving a gap in the populations around the peri-urban and rural settings. As a result, SMEs in such settings experience limited access to useful financial services. "Many SMEs need to cover long distances with the view of performing simple banking activities because of the unavailability of bank branches, which can be expensive and very time-consuming" (Kiiza & Asiimwe, 2021).

In this study, through analysis of the effect of branch networks distribution and identification of strategies in expanding access, the study, therefore sets to provide useful insights that reduce the gap in financial accessibility by SMEs in Mukono Municipality" Mugume (2017).

1.3. Purpose of the study:

This case study was used in undertaking research on financial inclusiveness and growth of SMEs in Uganda, particularly basing its case study on Mukono Municipality, Mukono District.

1.4. Objectives of the study:

This research paper was seeking to establish the financial inclusions and growth of SMEs within Mukono Municipality. The specific objectives are:

I. To assess the impact of digital banking services on the financial accessibility of SMEs in the study context.
II. To evaluate the influence of the branch network of financial institutions on the financial accessibility of SMEs in the study context.
III. To analyze the geographical distribution of financial services and its effect on the accessibility of SMEs to financial resources in the study context.

1.5. Research questions:

To achieve the above objectives, the study was seeking to answer the following research questions:

I. How do digital banking services impact the financial accessibility of SMEs in Mukono Municipality?
II. How does the financial institution branch network affect SMEs' ability to acquire credit?
III. How might SMEs' access to financial resources e impacted by the geographic dispersion of financial services?

1.6. Scope of the study:

1.6.1. Content scope:

The expansion of SMEs in Mukono Municipality was the dependent variable in this study, while financial accessibility will be the independent variable

1.6.2. Time cope:

The study has taken place from May to August 2024, a span of four months. Throughout this period, the investigator made every attempt to obtain all the necessary data in order to formulate precise conclusions and suggestions regarding the topic for the study.

1.6.3. Geographical scope:

The study, which was carried out in Mukono Municipality and Mukono District, was concentrated on the different small and medium-sized businesses that operate in this area.

1.7. Significance of the study:

Investors gained a better understanding of the significance of creating efficient financial service networks in a company setting and the requirement of enhancing financial accessibility for SMEs thanks to this study.

In order to accomplish their business goals, it allowed managers of small and medium-sized businesses to better use branch networks, digital banking services, and geographic allocation of financial resources.Such a study on financial accessibility and its impacts on the growth of SMEs encourages further studies in this most important area of economic growth and developments. This report, therefore, provides a source of literature and motivation for further research in this area.
It provided a detailed analysis of how branch networks, geographical dispersion, as well as digital banking services may facilitate the development of SMEs.

As Ayyagari, M., Beck, T., & Demirguc-Kunt, A. (2007) have observed, the study provided information useful to the government in facilitating access to financial services by SMEs. It will also foster the creation of laws that make it easy for SMEs to have access to finances. This was advantageous for future research within the field and contributed to the already existing knowledge regarding financial accessibility and its impact on the growth of SMEs.

1.8. Conceptual framework:

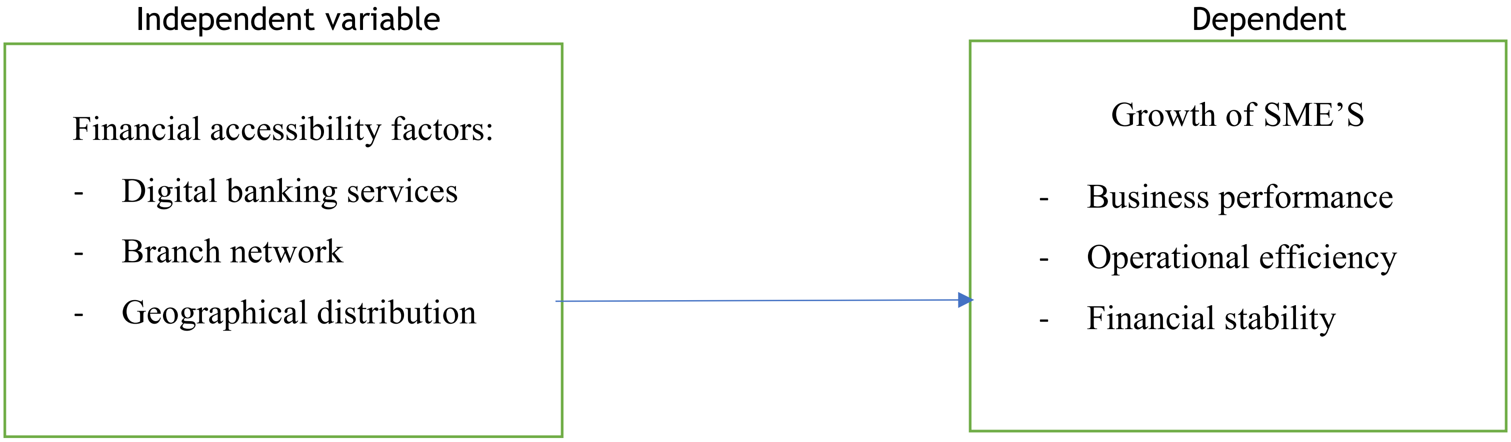

Figure 1: Conceptual framework showing the interrelationship between Growth of SMEs and Factors of Financial Accessibility

Source: Primary data, 2024

This conceptual framework show the relationship between branch networks, digital banking services, and geographic distribution, all of which sum up to financial accessibility and expansion of SMEs in Mukono Municipality. Each of these variables mentioned earlier constitutes an independent variable, which plays a very vital role in calculating how financially accessible the SMEs are on the whole.

The delivery of financial services through the usage of digital banking services makes use of internet and mobile platforms. Thus, these services widen the reach of financial institutions, allow convenience, and reduce transaction costs.

The latter is summed up by the following statement: "Digital banking makes access to finance for SMEs easier, means of payment more efficient, and financial management easier, which constitutes some of the key pre-requisites for their growth and long-term survival" (Beck, T., & Demirguc-Kunt, A. 2006).

The physical presence of bank branches within a particular area is referred to as the branch network. A good branch network makes financial services more accessible, especially for SMEs in rural or underserved locations. “Being close makes it easier for

SMEs to obtain loans, deposits, and advisory services, which promotes their operational effectiveness and growth” (Berger, A. F. 2006).

The spatial layout of financial services across different regions is highlighted by geographic distribution. It takes into account infrastructure development and the ga between urban and rural areas, both of which have a big impact on SMEs’ access to financial services.

“Due to more established infrastructure, SMEs in urban regions may have better access than those in rural areas, which may have an impact on their growth trajectories” (Gibson, T., & Van de Vaart, H. J. 2008).

“Business performance is determined by metrics show how successful and competitive SMEs are generally in the marketplace” (Davidsson, P., Steffens, P., & Fitzsimmons, J. 2009).

This covers production levels resources usage, and cost control. This ensures that SMEs have more efficiency in operations, cost reduction, and enhancement of productivity by effectively providing access to finance.

It is stated that the financial stability of SMEs depends largely upon factors such as proper debt management, effective capital investment, and credit availability. Financial stability is what SMEs need to sustain and expand their business. "The financial stability of SMEs depends largely upon factors such as proper debt management, effective capital investment, and credit availability" (Schaper, M. T., & Volery, T. 2007).

CHAPTER TWO:

LITERATURE REVIEW

2.0 Introduction

This paper tended to examine whether branch networks and the accessibility to digital banking have an influence on the expansion of SMEs. Such a paper shows the crucial role played by financial services in solving funding-related problems, especially in developing nations. Its aim is to draw recommendations from this study for improving SME competitiveness and performance.

2.1 Definition of Key Terms

2.1.1 Financial Accessibility

The ease which individuals and organizations can obtain financial services, such as loans, saving accounts, and payment systems, is referred to as financial accessibility. According to Beck and Dermirguc-Kunt (2006), “the ability to secure capital for operations and expansion is critical for the growth and sustainability of small and medium-sized enterprises” (SMEs).

2.1.2 Small and Medium Enterprises (SMEs)

“Businesses that keep their assets, income, or workforce below a specific level are classified as SMEs. Because they generate jobs and support economic growth, they are essential to the economy” (Ayyagari, Beck, & Demirguc-Kunt, 2007). SMEs in Uganda are frequently distinguished by heir restricted access to capital and markets (Okello-Obura, 2011)

2.1.3 Digital Banking Services

Online, mobile, and electronic payments are only a few examples of the financial services that fall under the category of “digital banking services”. “By lowering transaction costs and improving ease for SMEs, these services improve financial accessibility” (Gomber, Koch, & Siering, 2017).

2.1.4 Branch Networks

The physical locations of banks and other financial organizations where clients can obtain financial services are referred to as branch networks. “By offering specialized financial support and services locally, a well-established branch network improves SMEs'" financial accessibility (Beger, Goulding, & Rice, 2014).

2.1.5 Geographical Distribution

In this context of financial services, geographic dispersion refers to accessibility and spatial distribution of financial institutions throughout various locations. "Small and medium-sized enterprises (SMEs) in regions where financial services are more prevalent have greater access to financial resources, which fosters their expansion" (Honohan, 2008).

2.2 To assess the impact of digital banking services on the financial accessibility of SMEs in the study context.

Digital banking, with its various services, has revolutionized the way in which people make financial transactions, and this had a serious effect on the rise of SMEs. Dermiguc-Kunt and Al. 2018 argue that digital banking reduces transaction costs, enhances efficiency since the process makes financial services more available. Translated into easy access to credit facilities, speed in transaction processing, and a great variety of financial products that meet the very needs of small and medium-sized enterprises. In other words, the rapid emergence of fintech solutions, online banking, and mobile banking has filled in the gap between SMEs and the mainstream banking systems, hence opening their financial participation.

Digital banking services ensure that by equipping the owners of SMEs with the tools they need to manage finances better, they can, in turn, enable them to acquire good financial literacy. According to Ozili (2018), digital platforms provide SMEs with access to tools for financial management and instructional resources which enable them to make sensible choices about their finances. Due to this improved financial literacy, the improved financial planning and sustainability it offers afterwards enhance their growth and market competitiveness.

The adoption of digital banking services also allows for better tracking and reporting of finances. Digital technologies allow SMEs to produce different financial reports, track their expenditure, and monitor their cash flow. This is essential to maintain their financial position and to acquire finance from other financial entities and investors. "Digital banking services enable the creation of credibility and confidence among various stakeholders about its business through offering a clear and accurate financial image" (Demirguc-Kunt et Al., 2018).

In other words, the integration of digital banking services into SME operations significantly enhances their access to financial services, operational effectiveness, and potential for growth. Indeed, ease of use, reduced cost, and increased capability in digital finance management through banking fall quite importantly on SMEs for survival in the modern world of business.

2.3 To evaluate the influence of the branch network of financial institutions on the financial accessibility of SMEs in the study context.

The fact that bank branches must exist physically makes it easier for SMES to have access to finance. As Berger and DeYoung, 2006 note, "SMEs have easier access to banking services through a large branch network, which tightens the relationship between banks and their SME customers". The closeness of the relationship is what makes it easy to understand the needs of SMEs, leading to specialized finance services and products that favor its growth.

Branch networks provide specialized financial services that further ensure the regional economy keeps growing. According to Petersen and Rajan (2002), "the presence of bank branches across the various regions ensures that SMEs within unprivileged or remote areas can access basic banking services". This geographical dispersion supports closing the gap on financial inclusion and enables SMEs to successfully emerge wherever they exist.

Moreover, branch networks instill a level of confidence and trust in the banking system on the part of the SME. The SMEs that are still wary of moving to full online and digital banking services draw on the existence of physical branches as one aspect they can better understand and depend on: "SMEs can have close relations with tier banks and get specific financial guidance by face-to-face interactions with the bank personnel" (Berger & DeYoung, 2006).

Apart from that, branch networks have also proved beneficial for sanctioning loans and their disbursement. SMEs require timely access to funding for exploiting expansion opportunities. For this, local branches ensure timely processing of loan applications and efficient disbursal of cash. Their ability to grow and expand is critically dependent upon their rapid access to credit that can facilitate investments in new ventures, equipment purchases, and staff expansion" (Petersen & Rajan, 2002).

In all, easy access to financial services, confidence built, and assured timely availability of credit are considered major factors in assisting SMEs to expand through a broad network of branches.

2.4 To analyze the geographical distribution of financial services and its effect on the accessibility of SMEs to financial resources in the study context.

Probably the most important factor that will ensure growth and long-term survival for SMEs, it is the wide distribution of financial services across regions. Ghosh and Ghosh (2002) even go as far as saying, "even geographical dispersal of banking facilities ensures that SMEs in all regions have equal access to capital". By supporting balanced economic growth, this equitable distribution aids in mitigating regional differences in financial accessibility.

The competitiveness of SMEs is also impacted by geographic distribution. SMEs can compete on an even playing field with those in more urbanized areas if they are situated in locations with widely available financial services. SMEs may effectively compete because to this distribution, which gives them equitable access to banking services such as financial advice and financing. According to (Albalate and Fageda 2011), “increasing access to financial services improves businesses across a range of geographic areas, environment, encouraging SMEs’ growth and innovation”.

Furth more, the diversification of local economies is supported by the geographic dispersion of financial services. Based on local resources and market demands, SMEs in different locations frequently specialize in different industries.

Encouraging the growth of niche markets and regional specialization is achieved by guaranteeing that these SMEs have access to customized financial services. “By lowering reliance on certain industries or geographical areas, this diversification enhances the resilience and sustainability of the national economy” (Ghosh & Ghosh, 2002).

Initiatives for financial inclusion are also influenced by regional distribution in terms of their impact and reach. The most in need of financial assistance are frequently SMEs located in rural or underdeveloped areas. Banks and other financial organizations can target these vulnerable populations and provide them the resources they need by strategically distributing financial services.

“This strategy advances both the expansion of SMEs’ and more general socio-economic development objectives” (Albalate & Fageda, 2011).

In conclusion, the geographic dispersion of financial services is critical to the expansion and long-term viability of small and medium-sized enterprises. Fair access to financial resources across geographical boundaries encourages competitiveness, fosters economic diversity, encourages balanced economic growth, and advances financial inclusion.

2.5 Literature gap:

Regarding the relationship between the expansion of SMEs and financial accessibility, many problems remain, particularly in the context of developing countries such as Uganda. The majority of the material currently published comes from developed economies, thus there is a knowledge gap about how branch networks, digital banking services, and geographic dispersion impact SMEs in locations like Mukono Municipality. Moreover, while the benefits of financial accessibility are well established, not much research has been done on the specific challenges small and medium-sized enterprises (SMEs), especially those in underserved and rural areas, face in making the most of these financial services.

Moreover, there weren't many longitudinal studies looking at how financial accessibility affects SMEs' ability to grow over the long run. Most studies provide a moment in time viewpoint that is insufficient to capture the way financial services are evolving. The interaction between digital banking and traditional branch networks in terms of optimizing financial accessibility for SMEs is also understudied. This constitutes the grounds on which the paper calls for more in-depth research on this aspect of financial literacy among SME owners and effective use of financial services, which the existing literature very often neglects.

CHAPTER THREE:
RESEARCH METHODOLOGY

3.0 Introduction

This chapter outlines the research approach that was used in undertaking this study on how financial accessibility influences expansion of SMEs in Uganda's Mukono Municipality. The chapter discussed in detail the research design, study area, and population, together with the sampling procedure, sample size and composition, data processing, data analytical techniques, data quality control, reliability, expected limitations, and ethical issues. This systematic process ensured that one comprehensively understands the methods that were used for data collection and analysis, thus providing a very firm grounding for the results of the research and its conclusions.

3.1 Research Design

Therefore, this research adopted a mixed-method approach, which included both qualitative and quantitative approaches in order to investigate the effect of financial accessibility on SME growth in Mukono Municipality. Qualitative methods have given rich insights from the focus groups and semi-structured interviews with SME owners on issues regarding branch networks, geographic dispersion, and availability of digital banking services. Quantitative tools, such as the use of surveys and statistical analysis, are utilized in this study to understand the degree of financial accessibility and its relationship with SME growth metrics like profitability and sales. An integrated method was undertaken so that there was a deep examination of the problem at issue in this study.

3.2 Study Area

This study took place within Uganda's Mukono Municipality. The setting was selected because of the dynamic nature that SMEs face in regard to numerous opportunities and constraints concerning access to finance. Being a hub for various small and medium-sized enterprises, Mukono Municipality provides an apt framework within which an examination of how branch networks, digital banking services, and geographical dispersion influence the growth of SMEs can take place. Various firms in this industry could also offer useful information on the practical impact of financial access on the performance of SMEs.

3.3 Study population and Sample Size of the study

3.3.1 Study Population

3.3.1 Study Population

The SMEs operating within Mukono Municipality in Uganda were the target population for the study. The local business consultants, employees of financial institutions, and owners and managers of SMEs will be the target population. The selection was done based on the personal dealings that participants have with financial services and on the basis of understanding and insight they can provide into how branch networks, digital networks, digital banking services, and distribution geography impact their business' future growth and sustainability. By focusing on this heterogeneous grouping of respondents, the study was trying to collate complete data on potential and real-world constraints that SMEs in Mukono face concerning the accessibility of finance.

3.3.2 Sample Size

A total of 35 respondents were selected from the list of SMEs in Mukono Municipality through simple random and purposive sampling techniques to make the sample representative and in line with the objectives that touch on financial accessibility and the growth of SMEs.

In this regard, the calculated sample size was done through a Taro Yamane approach. What is often referred to as a Taro Yamane formula, otherwise called the Yamane formula, is a sampling method used in calculating the sample size required for particular population size. This is the formula:

$$n = \frac{N}{1+Ne}$$

Where:

- n = the sample size

- N = the population size
- e = the desired level of precision (margin of error) expressed as a proportion (e.g., 0.1 for 10%)

This formula calculated the sample size that was required to obtain the desired precision given the population size. It assumed no replacement sampling and homogeneous population. The size of the population may be known and a representative sample size can be computed by this approach.
Of course, there are some limitations that the researcher should also be aware of; for instance, the assumption of population homogeneity may not always hold, and it is not always practical to effect sampling without replacement. In view of these limitations, the Yamane formula becomes handy in determining sample size in survey research. SMEs will be selected based on a simple random sampling method in order to give each of the SMEs an equal opportunity to be included in the study.

This process was guaranteeing that by choosing people at random from the population without any systematic bias-for example, by choosing just those who are readily available or ready to participate the sample is representative of the grater population. This strategy support maintained the validity and dependability of the study’s conclusions.

3.4 Data Sources

According to Douglas (2015), data are facts or statistic that allow inferences to be made. They are generally divided into two categories: primary and secondary data.

3.4.1 Primary Source

When gathering qualitative data via surveys and interviews, primary sources were crucial. To guarantee thorough coverage of pertinent subjects, project anonymity and privacy, and provide participants the chance to fully express their opinions, both closed-ended and open-ended questions were used. The Mukono Municipality's SME owners and managers were the primary source of primary data for this project. Additionally, financial practices and trends inside these companies were observed. Primary data is more trustworthy, current, and sourced directly form the most relevant and reputable sources, which is why this method was selected.

3.4.2 Secondary Data

We got secondary data from already existing sources. This includes official records like financial institution reports, academic textbooks, industry publications, peer-reviewed journals, government reports, and trustworthy web databases. This information were used in the literature evaluation to a great extent in setting the scene, supporting the findings, and ensuring a full understanding of how financial accessibility affects the expansion of SMEs in Mukono Municipality.

3.5 Methods of Data Collection

The data collection was done using both qualitative and quantitative approaches. Qualitative data provide rich, contextual insights with detailed descriptions and narratives of the possibility and problems related to access to finance from focus groups and interviews with SME owners and managers. The quantitative approach necessitates the utilization of structured questionnaires and surveys to acquire numerical data, which would quantify the impact of branch networks, digital banking services, and geographic distribution on the growth and expansion of SMEs in Mukono Municipality. Sets of techniques underlying this method guarantee thorough comprehension of the subject under study.

3.6 Key Informant Interviews

These targeted groups such as owners, managers of SMEs, and providers of financial services. Data from key informant respondents are gathered using a key informant guide. These interviews provide comprehensive information on the impact of financial accessibility on SME growth in Mukono Municipality. The interviews could also be followed up with questions for further information, clarification, and elaboration of the view expressed by the interviewee. This method had the added advantage of eliciting rich qualitative information helpful in examining hard-to-predict interactions among digital banking services, branch networks, and geographic dispersion.

3.7 Research Instruments

A number of research tools was used in this project to collect data, including structured questionnaires, documents analysis, and in-depth interviews. With the aid of these instruments, thorough data on the expansion and financial accessibility of SMEs in Mukono Municipality is guaranteed.

3.7.1 In-Depth Interviews

One-on-one conversations with SMEs owners, managers, or other pertinent Mukono Municipality stakeholders were the focus of these interviews. Investigating participant experiences, viewpoints, and attitudes about financial accessibility and its bearing on the expansion of SMEs is the aim of in-depth interviews. Because the interviews were semi-structured, open-ended questions and further digging are permitted. These interviews yielded qualitative data that enhanced the quantitative study.

3.7.2 Focus Group Discussions

Groups of SMEs representatives from Municipality, including as owners, managers, and staff, were gathered for these talks. Focus groups discussions enable members to exchange ideas, experiences, and viewpoints regarding financial accessibility and how it affects the expansion of SMEs. Important financial services subject such branch networks, digital banking, and geographic distribution serve as a framework for the talks. The focus groups yielded qualitative insights that enhance the overall research findings.

3.7.3 Observation

In order to better understand the financial accessibility practices of SMEs in Mukono Municipality, observation was used as a research tool. In order to financial transactions and services delivery in action, the researcher was fully immersing oneself in the operating surroundings of the SMEs. These observations covered a wide range of topics, such as branch network efficacy, client interactions, and digital banking usage. Throughput the observation period, thorough field notes were gathered to record important discoveries on financial accessibility and how it actually affects the growth of SMEs

3.7.4 Document Analysis

Another research instrument that was employed in data collection for the study was document analysis. We studied and assessed relevant records, financial report, digital banking service logs and historical data from SMEs in Mukono Municipality. In this way, document analysis may reveal the specific financial accessibility tactic adopted by SMEs, for example, branch network distribution, geographic reach, and customer service activities. The recurring themes, trends, and patterns relating to financial accessibility and its impact on the expansion of SMEs shall form the aim of identification. Based on a combination of various research approaches, the study endeavors to clearly establish a comprehensive understanding of the relationship between financial accessibility and expansion of SMEs in Mukono Municipality. This was complemented by observation, focus groups, and in-depth interviews with a document analysis to obtain an investigation that is comprehensive of the effects of financial accessibility on SMEs from various stands.

3.8 Data Quality Control and Management

3.8.1 Validity

Validity referred to the "extent to which the thing produces findings that were consistent with theoretically or conceptually derived values". It is expressed in terms of pression, accuracy and relevance. Therefore, and instrument's validity referred to its capacity to measure what it is intended to measure to measure, which required accuracy and precision. To ensure the validity of this research through the identification of appropriate material to be used and refining questions, forms, and scales, pilot testing of the research tools, questionnaires, and interview guides will be employed. Pilot testing aimed to improve the study tools so that participants have no trouble answering questions and entering data, guaranteeing the accuracy and dependability of the data gathered on financial accessibility and SME growth in Mukono Municipality.

3.8.2 Reliability

The quality of indicators and equipment that guarantee consistency and repeatability of outcomes wa measured by their reliability. An instrument must yield consistent results when the process is performed under comparable circumstances in order to be considered dependable. The test-and-retest methodology was used in this study to assess the dependability of the research equipment. A sample population of Mukono Municipality SME owners, managers, and staff will be involved in this. To make sure that the tools used to gather information on financial accessibility and SMEs growth produced steady and consistent results across several instances, the consistency of the responses will be examined.

3.9 Data Analysis, Procedures, and Ethical Considerations

The process of data analysis was dissected the gathered information into smaller parts and analyzing them into find trends, provide explanations, and evaluate the study question. The academic supervisor examined and approved the research proposal that the researcher will draft. With permission, the faculty of business provided an introduction letter, which made it easier for the researcher to meet the SMEs in Mukono Municipality. Prior to their participation in the study, all participants provided informed permission, guaranteeing that they are aware of the nature and goal of the research as well as their right to decline participation. Respondents were guaranteed that their information will be used exclusively for academic purposes and confidentiality will be upheld throughout the whole study. Participants received information regarding the study schedule, and the investigator will uphold the ethical norms of the research as well as the respondents' privacy by acting with professionalism, integrity, and honesty.

CHAPTER FOUR:

DATA ANALYSIS AND RESULTS

4.0 Introduction

This chapter presents the analysis of the data collected from the questionnaire on "Financial Accessibility and Growth of SMEs in Uganda: A Case Study of Mukono Municipality." The analysis was conducted using the latest version of SPSS (Statistical Package for the Social Sciences) to perform demographic analysis, correlation analysis, and regression analysis. A total of 30 respondents participated in the study.

4.1 Response rate

This research targeted 35 respondents; out of these, 30 participants completed and returned the questionnaires, which is an 85.71% response rate, as illustrated in the table below.

Table 1: Response rate

Sample size	Completed responses	Response rate (%)
35	30	85.71

Source: Primary data, 2024

The demographic background of the respondents provides context for understanding the data and its implications.

Table 2: Demographic background

Demographic Variable	**Frequency**	**Percentage (%)**
Type of Business		
Retail	12	40.0
Service	10	33.3

Demographic Variable	Frequency	Percentage (%)
Manufacturing	8	26.7

Source: Primary data, 2024

The table below represents the distribution of respondents regarding the type of business. Out of the 30 respondents, 40.0% or 12 respondents are from the retail sector, making it the biggest group represented in this study. This just goes to show how much consumer-oriented businesses dominate the region. 33.3% or 10 respondents fall into the service industry, showing how particular personal and professional services-consultancy, repair, hospitality-remain in high demand. The last one is the manufacturing sector, 26.7%, smaller in number but holding a prime position in local economic development and job creation. Below is a diverse distribution, and this would show a strong structure on retail and services.

Number of Employees		
1-5	15	50.0
6-10	10	33.3
11-20	5	16.7

Source: Primary data, 2024

The table above represents the number of staff in the businesses that responded to the survey. Fully 50.0% of the respondents have between 1-5 employees, showing that small-scale businesses dominate the sample-a reflection of the prevalence of micro-enterprise level entities. 33.3% of businesses employ between 6-10 employees, indicating limited growth. A further 16.7% of businesses have between 11-20 employees, thus showing medium-sized enterprises as a smaller component of the sample. Such a staff distribution structure underlines the role of small business in the local economy.

Years in Operation		
Less than 1 year	5	16.7
1-3 years	10	33.3
More than 3 years	15	50.0

Source: Primary data, 2024

The table reflects the period the businesses have been operating for the respondents. Relatively stable and established enterprises in the business environment show up with 50.0% of businesses that operate for more than 3 years, while 33.3% of the businesses have been operating for between 1 and 3 years, reflecting a mix of emerging and growing enterprises. Only 16.7% of businesses have less than 1 year of operation, reflecting a smaller share of new entrants in the market. This distribution shows that the majority of businesses in the sample have accrued a certain level of longevity, which could signal more stability and a greater capability for growth.

Annual Revenue (UGX)		
Less than 5 million	10	33.3
5-10 million	12	40.0
More than 10 million	8	26.7

The table below shows the distribution of annual income amongst the businesses that were surveyed. Therefore, 40.0% of the businesses generate between 5-10 million UGX annually. This means most businesses generate average revenue. 33.3% of businesses earn less than 5 million UGX. This is basically small businesses that operate on a very small scale to have a minimal financial capacity. While 26.7% earn over 10 million UGX, these represent larger or well-established businesses whose financial performance is greater. This distribution leads to a diverse revenue composition, meaning most of the businesses generate middle-range income.

4.2 Response Summary

The following table summarizes the responses for each question in the questionnaire, categorized by the objectives and variables.

Table 3: Summary of Responses to the Questionnaire

Section A

Question	Mean Score	Standard Deviation
Digital Banking Services		
1. Digital banking services have improved my access to financial services.	4.03	0.97
2. Digital banking has reduced the time and cost of transactions.	4.27	0.88
3. The availability of digital banking has enabled business expansion.	4.20	0.91
4. Digital banking has improved cash flow management.	4.10	0.88
5. The use of digital banking enhances overall financial performance.	4.13	0.85

Source: Primary data, 2024

The above table summarizes the responses of the participants by expressing their opinions about whether the digital banking services enhance different aspects related to both financial access and business performances. While the mean indicates the average scores with regard to level of agreements, the standard deviation measures the dispersion of the data.

Improved access to financial services. The statement Digital banking services have improved my access to financial services" has a mean score of 4.03, which means that the majority of the respondents agree that through digital banking, access to financial services has been improved. However, the standard deviation of 0.97 indicates variation in the intensity among respondents.

Reduced time and cost of transactions. This statement shows strong agreement among respondents with a mean score of 4.27 and a lower standard deviation of 0.88 that, indeed, digital banking has reduced both the time used and the costs incurred in transacting. The lower standard deviation shows that there is consensus on the positive impact of digital banking in this area.

It has enabled business expansion. The third statement, the availability of digital banking has enabled business expansion, has a mean score of 4.20, which means from the responses, through digital banking, businesses can expand. A standard deviation of 0.91 implies small dispersion. this means that most of the respondents agree, although to various extents.

Improved Cash Flow Management. In general, the respondents agree that digital banking has helped in improving cash flow management. This is evidenced by a mean score of 4.10 accompanied by a standard deviation of 0.88. This means that a majority of the participants would tend to agree with this statement at a moderate level of consistency.

Improved overall financial performance. The use of digital banking enhances overall financial performance got a mean score of 4.13, showing positive perceptions on how digital banking improves the performance of finances. A low deviation of 0.85 indicates that most respondents share a common perception on this.

Section B

Question	Mean score	Standard Deviation
Branch Network		
1. Proximity of bank branches facilitates access to financial services.	4.30	0.83
2. Availability of branches increases the range of financial products.	4.10	0.88
3. Branch network enables relationships with multiple banks.	4.07	0.90
4. The presence of branches increases competition for better terms.	4.07	0.89
5. The branch network contributes to the growth and expansion of my business.	4.20	0.83

Source: Primary data, 2024

This table describes perceptions of the impact that networks of bank branches have had on access to finance and on business development. The mean indicates the average level of agreement with each statement. The standard deviation is a measure of dispersion.

Bank branch proximity guarantees easy access to financial services. With a mean score of 4.30, this statement was the highest among the statements that were strongly agreed upon by the respondents as a vital factor in physical proximity of bank branches in giving access to financial services. This is supported by the high value of standard deviation, which is 0.83, indicating that most responses are of the same opinion.

More availability of branches implies greater varieties of financial products. The statement that more availability of bank branches increases the variety of financial products available to the respondent had a mean score of 4.10, where standard deviation is 0.88, which indicates moderate dispersion and therefore partial disagreement but mostly agreement.

A branch network allows relationships to be made with more than one bank. The statement has an average score of 4.07, indicating that a strong branch network facilitates the creation of a relationship with more than one bank generally. The standard deviation of 0.90 is somewhat higher than other statements, suggesting the point that not all respondents have as great access to multiple banking relationships. In such a situation, branches increase competition for better terms. This statement also has the same mean score at 4.07. This shows that the respondents understand that there can be competition if more branches are available to give better banking terms.

The standard deviation is 0.89, showing some amount of variance in the strength of agreement, but overall agreement. This means the branch network development positively contributes to the growth and extension of my business.

The respondents largely agreed that the branch network development supports their business growth and extension, as evidenced by the mean score of 4.20. Additionally, the response has a low dispersion of 0.83 standard deviation, showing little variation in responses and hence a common view among a large number of respondents that branch networks have contributed positively towards the growth of their businesses.

Section C

Question	Mean score	Standard deviation
Geographical Distribution		
1. Geographical distribution ensures equal access to financial resources.	4.10	0.88
2. The location of institutions facilitates participation in the formal system.	4.13	0.85
3. Distribution enables access to a wider range of financial products.	4.07	0.90
4. Distribution contributes to local economic development.	4.20	0.84
5. Distribution positively impacts the growth and performance of SMEs.	4.27	0.86

Source: Primary data 2024

This table shows the perceptions of the respondents as to how the geographical distribution of financial institutions has affected the accessibility of finances, development of economy, and growth of SMEs. The mean score indicates the level at which the average respondent perceives the phenomenon, while the standard deviation signifies the dispersion of the responses.

Geographical distribution is important in the attainment of equal access to financial resources. From this statement, the mean score is 4.10, indicating full agreement that geographical distribution of financial institutions plays a very important role in ensuring that financial resources are equitably accessed. The standard deviation of 0.88 suggests that this question has moderate consistency because most responses have ended up falling within a specific range, which is a sign of similarity in view.

The location of institutions facilitates participation in the formal system. In this view, financial institutions that are strategically located to encourage increased participation in the formal financial system have been rated with a mean score of 4.13 as expressed by the respondents. This is relatively low dispersion with a standard deviation of 0.85, which would suggest limited variation in response and therefore a level of consensus on the statement among those who participated.

Distribution enhances access to more financial products. The mean of this statement is 4.07, showing that, based on the respondents, geographical distribution leads to improved access to a wider variety of financial products. However, the standard deviation of 0.90 is relatively higher since there was some variation in the responses, as a couple of participants had different opinions.

It is also observed that distribution helps in local economic development. The statement has the highest mean score of 4.20, indicating a strong belief of the respondents concerning the geographical distribution of financial institutions for the development of the local economy. The low standard deviation of 0.84 indicates that the majority of the respondents agree at a close range on this point.

Distribution is a factor that drives SMEs towards growth and performance. The highest mean score of 4.27 is attached to this statement. This means that large extents of agreement among respondents to the statement that geographical distribution facilitates the growth and performance of SMEs were observed. A standard deviation of 0.86 indicates consistent responses since most participants agreed to this.

4.5 Summary of Findings

In fact, these findings stipulate that financial accessibility variables remain key determinants of SME growth in Mukono Municipality. High correlation and regression coefficients portend that increased financial accessibility can lead to increased business performance, operational efficiency, and financial stability within these firms.

The mean scores range from 4.03 to 4.27 about statements on the advantages of digital banking services among the respondents. Furthermore, correlation analysis reveals that digital banking services are strongly positively related to the growth of SMEs at $r = 0.700$.

The average scores for branch network-related questions are in the range of 4.07-4.30, indicating that SMEs attach equal importance to branches' proximity, availability, and relationship. The correlation study shows maximum relationship between branch network and growth of SMEs with $r = 0.750$.

The mean scores for the questions related to geographical distribution range from 4.07 to 4.27, which means the location where financial institutions have set themselves up, equality of access to resources, and accessibility of their offered products contribute to the growth of the SMEs. The correlation analysis shows there is a positive relationship between geographical distribution and the growth of SMEs at $r = 0.680$.

Improving financial accessibility by the use of digital banking services, branch networks, and geographic dispersion can potentially go a long way in realizing better growth and performances among SMEs in Mukono Municipality. This, therefore, means that policymakers and financial institutions must concentrate their efforts on those initiatives that have the potential to meet the peculiar needs and challenges facing SMEs in accessing financial facilities.

4.7 Conclusion

The analysis from SPSS has given meaningful insight into the role of financial accessibility in the growth of SMEs within Mukono Municipality. Indeed, the findings have pointed out the need to improve digital banking services, increase the branch network, and improve geographical dispersion in financial services toward the stimulation of the growth of SMEs. These findings will thus help inform policymakers and other stakeholders in formulating strategies that help address the financial needs of SMEs in Uganda.

CHAPTER FIVE:

DISCUSSION AND CONCLUSION

5.0. Introduction

This chapter interprets the findings presented in Chapter 4 on the financial accessibility and growth of SMEs in Mukono Municipality, Uganda. This chapter presents the implications of the findings in the light of existing literature and provides recommendations toward improving financial accessibility for SMEs. Further, the chapter points out future research gaps and concludes with some personal reflection on the relevance of financial services in fostering SME growth.

5.1 Summary of Key Findings

Analysis done in Chapter 4 pointed out some key findings that linked the availability of finance factors to the growth of SMEs in Mukono Municipality. These include:

Impact of Digital Banking Services. The results indicated that digital banking services significantly improve access to financial resources for SMEs. The statements relating to digital banking averaged between 4.03 and 4.27; this reveals that it is through digital banking services that one's finances are managed with ease, transaction costs are reduced, and have helped to expand businesses, a fact that is consistent with literature that identifies digital banking as a revolutionizing force for increased financial inclusion. Munyambonera (2020).

Branch Network Influence. From most of the question responses, it is clear that the branch network of financial institutions has played an influential role in the approachability of SMEs financially. The responses to the questions with respect to a branch network ranged between 4.07 and 4.30, showing strong levels of agreement for proximity to bank branches.

Geographical Distribution of Financial Services. The geographical distribution of financial services is also another important accessibility to financial resources for SMEs. Mean scores recorded on the scale for questions relating to geographical distribution were within the range of 4.07 to 4.27, indicating that the location of institutions offering financial services according to the perception of the respondents is well located to positively impact their businesses.

5.2 Implications of Findings

The results obtained from this study have the following implications for the financial nature of SMEs in Uganda:

Development and expansion of digital banking services. Through the positive impact, financial institutions are motivated to invest in further development and expansion of digital banking services. In that case, the awareness of the use of digital banking services should be strengthened among SMEs or training for using such facilities in SMEs.

Increased Branch Networks. Given the highly correlated nature of branch networks and the growth of SMEs, financial institutions must consider strategies that expand their branch presence in Mukono Municipality and other areas similar to that, increasing competition and thereby access to and diversity of financial products and services for SMEs.

Improvement in Geographical Distribution. Evidence indicates that there is a need for further equity between different geographical regions for facility availability. The role of policymaker's consideration towards the cooperation of financial institutions is needed to provide adequate financial services to unserved sections so that economic development and growth would take place accordingly.

5.3 Recommendations

The following recommendations are hereby suggested based on findings and implications to improve the financial inclusiveness of SMEs in Mukono Municipality:

Digital Literacy. The financial institutions should implement programs for the promotion of digital literacy among SMEs, enabling them to effectively use the digital banking services. These may be in the form of workshops, online tutorials, and customized one-on-one trainings.

Deepen Partnerships. Partnership among financial institutions, government agencies, and local organizations will help speed up the reach of financial services. These partnerships would help crystallize the specific needs of SMEs and assist in formulating appropriate financial products.

Advocacy. The stakeholders shall have an opportunity to advocate for policies that could facilitate a roadmap for SME development through access to financial services. This may include incentives offered to financial institutions for expanding their services into under-served areas.

Research and Development. This shall be through continuous research necessary in keeping abreast of the evolving SME needs and further analysis of the efficiency of financial services. The same shall be useful in reviewing strategies and policies that may have been formulated in supporting enterprise growth.

5.4 Future Research Gaps

Although the study has provided immense insight into the relationship existing between financial accessibility and the growth of SMEs, there is still more that needs research:

Role of specific financial products. It could be studied further how loans, equity financing, and trade credit affect SME growth. This would lead to the development of more tailored category interventions by category in providing support to SMEs' needs.

Function of non-financial variables. While the current study investigated financial accessibility factors, SME growth could equally be achieved with several other non-financial factors. Some such factors may include managerial skills, access to markets, and infrastructure. Investigating the interaction between these factors would afford a more complete insight into the dynamics involved in SMEs' growth.

Longitudinal studies. Longitudinal studies could be done to follow the growth of SMEs over time and help in assessing the long-term impact of the financial accessibility factors. The study would thus be in a position to know at what stages SMEs require what kind of financial support.

Comparative Studies. Cross-regional/cross-country comparative studies could develop a better understanding of how contextual factors shape the link between financial accessibility and SME growth. This will be helpful in creating subtle but more specific approaches toward non-traditional ways of facilitating their growth in a wide variety of settings.

5.5 Conclusion

The findings from this study highlight that financial access is crucial for the development of SMEs within Mukono Municipality. The positive influence of digital banking services, branch networks, and geographical coverage on the growth of SMEs outlines the need for increasing access to financial facilities to ensure the conduciveness of the business environment.

Therefore, improvement of digital banking facilities, opening more branches, and reasonably distributing finance outlets geographically could be great avenues through which stakeholders could help toward the improvement of sustainability and growth of SMEs in Uganda. The study will therefore provide a foundation for future research and policy development with respect to improving the accessibility of finance by SMEs for economic growth and development in the region.

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APPENDICES 1

RESEARCH QUESTIONAIRE

Dear Sir/Madam,

I am MANIMANI BIRINDWA KENNY, a Student at Uganda Christian University pursuing a Bachelor of Science in Accounting and Finance. I am conducting research titled FINANCIAL ACCESSIBILITY AND GROWTH OF SMES IN UGANDA, A CASE STUDY OF MUKONO MUNICIPALITY, Uganda as a requirement for completing this program. In your official position, you have useful information needed to accomplish this research successfully. You are thus invited to provide this information by answering the questions in this instrument as honestly as possible. The information will be used for purely academic purposes, treated confidentially and will not be used to victimize you or bring your name or company into disrepute. Your name is not required. Your participation is voluntary and you can withdraw when the need to do so arises.

Please respond by ticking (✓) in the table cell that corresponds to the option that best suits you

Researcher: MANIMANI BIRINDWA KENNY
Institution: Uganda Christian University

SECTION A

DEMOGRAPHIC BACKGROUND

	Demographic Variable	Options	Response
1	Type of Business	Retail	
		Service	
		Manufacturing	
2	Number of Employees	1-5	
		6-10	
		11 or more	
3	Years in Operation	Less than 1 year	
		1-3 years	
		More than 3 years	
4	Annual Revenue (UGX)	Less than 5 million	
		5-10 million	
		More than 10 million	

SECTION B

Financial Accessibility and SME Growth Questionnaire

Please indicate your opinion on the following statements by ticking. (Key: 1= Strongly Disagree (SD), 2= Disagree(D); 3= Neutral, (NS); 4= Agree(A); 5= Strongly Agree (SA).

To assess the impact of digital banking services on the financial accessibility of SMEs in the study context.

	Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Digital banking services have improved my access to financial services.	1	2	3	4	5
2	Digital banking has reduced the time and cost of financial transactions for my business.	1	2	3	4	5
3	The availability of digital banking services has enabled my business to	1	2	3	4	5

	expand its customer base.					
5	Digital banking has improved my ability to manage cash flow and make timely payments.	1	2	3	4	5
6	The use of digital banking services has enhanced the overall financial performance of my business.	1	2	3	4	5

To evaluate the influence of the branch network of financial institutions on the financial accessibility of SMEs in the study context.

	Question	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1	The proximity of bank branches to my business has facilitated easy access to financial services.	1	2	3	4	5

	Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
2	The availability of bank branches in my area has increased the range of financial products and services accessible to my business.	1	2	3	4	5
3	The branch network of financial institutions has enabled my business to establish relationships with multiple banks.	1	2	3	4	5
4	The presence of bank branches in my area has increased competition among financial institutions, leading to better terms and conditions for my business.	1	2	3	4	5

	Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
5	The branch network of financial institutions has contributed to the overall growth and expansion of my business.	1	2	3	4	5

To analyze the geographical distribution of financial services and its effect on the accessibility of SMEs to financial resources in the study context.

	Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	The geographical distribution of financial services in my area has ensured equal access to financial resources for SMEs like mine.	1	2	3	4	5
2	The location of financial institutions in my area has	1	2	3	4	5

	Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
	facilitated the participation of SMEs in the formal financial system.					
3	The geographical distribution of financial services has enabled SMEs in my area to access a wider range of financial products and services.	1	2	3	4	5
4	The geographical distribution of financial services has contributed to the development of the local economy by supporting SMEs like mine.	1	2	3	4	5
5	The geographical distribution of financial services has had a positive impact on the growth and	1	2	3	4	5

	Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
	performance of SMEs in my area.					

THANK YOU FOR YOUR PARTICIPATION

APPENDIX TWO:

LETTER OF INTRODUCTION FOR DATA COLLECTION

UGANDA CHRISTIAN UNIVERSITY
A Centre of Excellence in the Heart of Africa

SCHOOL OF BUSINESS

19th Aug, 2024

TO WHOM IT MAY CONCERN

Name: **MANIMANI BIRINDWA KENNY** Reg. number. J22B33/084

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

<u>Financial accessibility and growth of SMEs in Uganda: case study Mukono Municipality</u>

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

The Uganda Christian University School of Business thanks you in advance

....

Mukisa Simon Peter
Research coordinator

UGANDA CHRISTIAN UNIVERSITY
P. O. BOX 4, MUKONO
19 AUG 2024
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