Volume 25 No. 1, December 2024
ISSN: 2078 - 7 049 (Print)
ISSN: 2959 - 4316 (Online)

THE UGANDAN JOURNAL OF MANAGEMENT AND PUBLIC POLICY STUDIES

UGANDA MANAGEMENT INSTITUTE
"Empowering you to Excel"

THE UGANDAN JOURNAL OF MANAGEMENT AND PUBLIC POLICY STUDIES

Volume 25 No.1, December 2024.

UGANDA MANAGEMENT INSTITUTE
"Empowering you to Excel"

http://www.umi.ac.ug

Editorial Address: Uganda Management Institute (UMI), P.O. Box 20131, Kampala; Tel: +256- 414-259722, Fax: +256-414-259581; email: umijournal@gmail.com; journal@umi.ac.ug; web: www.umi.ac.ug

Published by: Uganda Management Institute, Kampala
First Published 2010
ISSN: 2078-7049 (Print)
ISSN: 2959-4316 (Online)

Printed by Graphic Centre Ltd, Tel: +256 701 446 340/ +256 772 446 324

About UJMPPS

The Ugandan Journal of Management and Public Policy Studies is a multidisciplinary high-quality, open access and double-blind peer-reviewed research journal published by Uganda Management Institute (UMI). The Journal aims to provide an in-depth analysis of developments in public administration, business, management, leadership and public policy as they apply to the public, business firms, private and not-for-profit sectors. The UJMPPS also accepts original theoretical and empirical research papers, literature reviews, book reviews, case studies, analytical and simulation models, and technical notes from researchers, academics, practitioners, professionals, and students worldwide. The UJMPPS has been available in print format with an ISSN of 2078-7049 since 2009. Recently, the journal obtained an online ISSN of 2959-4316; therefore, all upcoming journal issues will be accessible in both print and online formats. The UJMPPS does not charge authors ***Article Processing Charge (APC)*** for any of the submissions we receive as we believe quality research should be freely accessible to everyone without any financial barriers.

Target Audience and Scope

The Journal is an important resource for:

a) Management Development Institutions;

b) Social Science Faculties and Research Institutions;

c) Graduate Teachers and Researchers in Management Sciences;

d) Civil Service Practitioners;

e) Students of Management; and

f) All people interested in the practice of Management

Authors are encouraged to submit papers in areas including but not limited to: Public Administration and Governance, Public-Private Partnerships, Public Sector Innovation, Leadership and Organizational Development, Technology and Innovation Management, Comparative Public Administration, Social Entrepreneurship and Corporate Social Responsibility, Urban Planning and Sustainable Cities, Ethics and Accountability in Public Administration, Sustainable Development and Environmental Policy, Public Policy Analysis and Evaluation, Business Management and Strategy, Education Policy and Administration, Gender and Diversity in the Workplace, Public Financial Management, and Human Resource Management.

Table of Contents

Editorial Note

We are pleased to present the first Issue of the *Uganda Journal of Management, Policy and Public Studies (UJMPPS),* Volume 25, Number 1 of December 2024. This issue comprises a collection of thought-provoking and empirically-driven studies providing profound insights into critical management, policy, and public administration themes. The selected manuscripts reflect an interdisciplinary approach to addressing Uganda's pressing socio-economic and governance challenges and beyond. This edition comprises nine (09) scholarly articles that explore diverse yet interrelated themes ranging from economic development, governance, and sustainability to education, taxation, and social transformation. Each article contributes to the contemporary discourse and offers theoretical advancements and practical implications for policymakers, academics, and practitioners. The articles are systematically arranged to ensure coherence and logical progression in discussions.

Integrating Management Accounting Systems (MAS) into tax compliance mechanisms is a core aspect of contemporary business operations and regulatory frameworks. ***Zainabu Tumwebaze, Laura Orobia, Irene Nalukenge, Arthur Sserwanga*** and ***Agnes Nansuna*** have contributed to this issue with their article "Which Aspect of the Management Accounting System Matters Most in Enhancing Tax Management in Manufacturing Firms?" This article delves into the role of management accounting systems in improving tax compliance among manufacturing firms. The findings underscore the importance of broad-scope MAS information in effective tax management, providing empirical evidence from Uganda's emerging economy.

Extending the discourse on business performance, ***Maureen Welishe Namugenyi, Robert Agwot Komakech, Rose B. Namara,*** and ***Thomas O. Ombati*** examine the "Influence of Competitive Strategies on the Performance of Small Manufacturing Enterprises in Kampala Metropolitan, Uganda**"** The study investigates the strategic manoeuvres SMEs adopt to navigate competitive pressures. The study affirms the significance of cost leadership and focus strategies while questioning the sustainability of differentiation in resource-constrained environments.

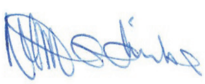
As enterprises operate within structured governance frameworks, urban planning, and infrastructure development remain central to sustainable growth. ***Paul Wanume, Vincent Machuki, James Njihia*** and ***Joseph Owino*** explore "Strategic Planning Systems and Sustainable Urban Road Infrastructure Development among Town Councils in Uganda". Their research highlights how structured planning tools and resources significantly contribute to infrastructure sustainability, reinforcing the necessity of robust governance mechanisms in urban planning.

Beyond strategic planning, effective management of tangible assets is paramount for sustainable governance. ***Peter Adoko Obicci*** presents "Physical Asset Eco-Management Practices in Ugandan Local Governments", offering an insightful discussion on optimizing physical asset management for value generation. The study identifies internal control systems, IT integration, and personnel competence as key determinants of effective asset management in Uganda's local governments. Financial inclusion is pivotal in improving economic stability and enhancing societal equity. ***John Okodoi, Gideon Nkurunziza, Gorrettie Kyeyune*** and ***Joseph Ntayi*** contribute with their study, “Financial Inclusion and Financial Well-being Among Households: A Case of Uganda”. This article examines the role of accessibility, affordability, and usage of financial services in improving household economic stability. The findings emphasize the need for financial education programmes to enhance financial resilience and decision-making among Uganda’s urban poor.

Furthermore, economic disparities remain an issue of concern, particularly concerning poverty and social stratification. ***Nabukeera Madinah*** investigates “State of the Underprivileged Population: A Case Study of Uganda”. This study presents statistical evidence on poverty disparities, child labour, and elderly welfare across Uganda’s regions, advocating for targeted poverty alleviation policies. The socio-economic vulnerabilities highlighted in the previous study transition into labour mobility and public sector resilience. ***Sebastian Bigabwenkya*** critically examines “Female Ugandan Labour Migration to the Middle East: Is It a Reflection of a Non-Resilient Public Sector?” This study explores Uganda’s labour externalization policies, exposing gaps in the public sector’s resilience and its failure to create domestic employment opportunities.

The role of human capital, particularly in education, is vital in shaping long-term socio-economic development. ***Hellen Onzia, Paul Edabu*** and ***Epiphany Odubuker Picho*** provide insights into “Teacher Rewards and Learner Academic Performance in Private Secondary Schools in Arua City”**.** Their research establishes a strong correlation between teacher motivation and student performance, reinforcing the need for improved financial and non-financial incentives for educators. Beyond governance and economic transformation, culture and heritage are national identity and policy development pillars. ***Elisam Magara, James Nkansah-Obrempong*** and ***Nathan Nzyoka Joshua*** conclude this issue with their study, “Oral History as a Social Tool for National Transformation”. They explore the role of oral history in shaping societal values, preserving cultural heritage, and influencing national policy. The study underscores the necessity of integrating oral history into national education and documentation strategies.

Finally, we would like to express our heartfelt gratitude to the authors for their contributions, the reviewers for their meticulous evaluations, and the editorial team for their dedication. We invite you to engage with the insights presented in these articles and consider their implications for policy and practice. We also take this opportunity to remind our readers and contributors that we are now inviting papers for **Volume 25, Number 2,** scheduled for publication in **June 2025.** We look forward to your continued support and contributions to advancing management and public policy knowledge.
We are grateful for your continued engagement with the UJMPPS!
Sincerely,



Chief Editor
Assoc. Prof. Lazarus Nabaho

The Ugandan Journal of Management and Public Policy Studies (UJMPPS)
December 2024, Vol. 25, No. 1, pp. 1-23
ISSN: 2078-7049 (Print), 2959-4316 (Online)

Published by Uganda Management Institute

Which aspect of the Management Accounting System (MAS) matters most in enhancing Tax Management in Manufacturing Firms?

Zainabu Tumwebaze, Laura Orobia, Irene Nalukenge, Arthur Sserwanga & Agnes Nansuna

Makerere University Business School, Kampala - Uganda

Corresponding e-mail: ztumwebaze@mubs.ac.ug

Article History

Received: August 01, 2024
Revised: December 10, 2024
Accepted: December 17, 2024

Abstract

This study aimed to investigate the contribution of management accounting system (MAS) to tax management. The study establishes the aspect of a management accounting system that matters most in enhancing tax management in manufacturing firms. Using a cross-sectional research design, data were collected from 160 manufacturing firms in Uganda using a structured questionnaire. Data was analysed using the Statistical Package for Social Scientists v21 and smart partial least squares structural equation modelling (PLS–SEM). Results indicate that management accounting systems significantly contribute to effective tax management. Also, the aspect of broad scope contributes more than the other elements (aggregation, integration and timeliness) in explaining the variances in tax management. This study provides initial empirical evidence on the contribution of management accounting systems to tax management. It also enhances our understanding of which aspect of the contribution of management accounting system contributes more to tax management using evidence from an emerging economy setting. Manufacturing firms should ensure the adoption of robust information systems that provide information for tax decision making, specifically, information systems that can gather and process information from internal and external sources to analyze tax implications of all budgeted expenditures. Also, regulatory bodies like the Uganda Revenue Authority could encourage manufacturing firms to have sophisticated *management accounting systems that can provide quality, reliable, and timely information relating to tax matters to improve tax compliance. However, the generalization of results is limited as the study only focused on Uganda's manufacturing firms. Therefore, further studies could be carried out in other contexts.*

Keywords: *Tax management, Management Accounting system, Resource-based theory, Uganda*

1.0 Introduction

Tax management has emerged as a critical component that every organization must carefully handle in an increasingly dynamic and complex corporate environment to ensure corporate financial sustainability (Rely, 2023). Companies whose tax affairs are effectively managed are likely to avoid costs such as fines, penalties, and other similar risks likely to be negative elements in company profits, going concern, and goodwill/reputation. Effective management of tax affairs protects firms from being tax audited (Hbaieb & Omri, 2019) and therefore escape additional taxes and penalties. Effective tax management enables companies to maintain compliance with all tax legal requirements while maximizing profitability as well as increasing shareholder's wealth (Hakim & Omri,2015; Moore et al., 2017).

Despite the importance of tax management, manufacturing firms in Uganda continuously face challenges with tax management. For example, wrong computation of deductions allowable on capital expenditures indicated with the increasing tax disputes for unrecognized claims (Mdala, 2018) results to penalties and high legal costs. Further, the Economic Research Policy Report of 2019 indicated that manufacturing firms evade income tax at rate of 67% and the Uganda Revenue Authority (URA) Report in 2021 indicated several such firms listed among tax defaulters. Additionally, in 2022, URA confiscated assets of 40 firms for non-compliance with tax laws. Given these alarming statistics, it is vital to investigate how internal mechanisms, such as MAS, can address tax mismanagement.

The purpose of this study was to examine the contribution of management accounting system to tax management among Uganda's manufacturing firms. The study further investigated the contribution of individual aspects of MAS towards management of tax affairs. We argue that reliable management accounting systems that offer reliable apposite information on tax matters can support efficient tax management in organizations. Likewise, scholars like Bouwens and Abernethy (2000), Naranjo-Gil and Hatmann (2007) noted that management accounting systems are organizational mechanisms that provide relevant information for making strategic decisions. Tax management involves planning, organizing, controlling and communicating tax affairs to ensure compliance and avoid fines and penalties. This requires various information sources such as external sources relating to changing economic conditions, technological developments and tax law amendments, financial information on incomes and expenses incurred, and non-financial information relating to customers, suppliers, and employees for tax planning, controlling and filling timely tax returns (Rely, 2023; Wibowo, 2024). Such information can be obtained with a system that provides quality information in terms of scope, aggregation, integration and timeliness, which becomes hard to achieve without an advanced MAS tax management.

The academic community has emphasized the importance of quality internal information environment in managing taxation matters. For example, Gallemore and Labro (2015) examined the importance of the internal information environment for tax avoidance and found that high internal information quality allows firms to reduce their tax liability without increasing the risk of their tax strategies. Their study provides evidence that the internal information environment of the firm is important for understanding the firm's tax avoidance and its outcomes. Hamilton and Stekelberg (2017) also indicated that effective tax planning is influenced by the timely and reliable information facilitated by high quality information technology. Accordingly, firms with high information technology can avoid more taxes while incurring less tax risks compared to firms with low quality information technology systems (Hamilton & Stekelberg, 2017). Similarly, McGuire, Rane and Weaver (2018) examined the association between internal information quality and tax-motivated income shifting and found it significantly positive. According to their findings, organizations with higher levels of uncertainty and coordination requirements have a stronger correlation with greater information quality, which helps managers to identify and implement opportunities for tax income shifting better. Although earlier studies have linked information quality to tax planning, no study has specifically investigated which MAS dimension contributes most to tax management, leaving a crucial gap in both theory and practice. Therefore, this study investigated the contribution of MAS and its elements in explaining variances in tax management.

Previous studies on tax management have largely employed content analysis methodologies (Gallemore & Labro, 2015; Moore et al., 2017; Beasley, et al., 2021). These studies document the indirect motivations behind tax management by measuring the extent of tax planning in companies using effective tax rates obtained from financial statements. Although content analysis studies are known for being objective, the rationale for the preparation of annual reports used in content analysis studies is never known. At the same time, in case of any errors in the annual reports, findings will be biased to such errors (Beasley et al., 2021). This study utilized perception-based data collection techniques that provide direct managerial motivations for the management of tax affairs (Belal and Momin, 2009).

This study focused on Uganda's manufacturing firms. Manufacturing firms often handle multiple production processes and must comply with taxes like Value Added Tax, Excise duty, Corporate income tax, Pay As You Earn and Digital tax stamps (URA 2023). In addition, they are required to comply with requirements from other statutory bodies like Uganda Investment Authority, National Environment Management Authority (NEMA), Uganda National Bureau of Standards (UNBS) and Local governments to obtain a trading license and pay local service tax. This amplifies the need for an automated system that provides timely, integrated, aggregated, and broad-scope information to facilitate tax management processes (Wibowo, 2024). Besides, the manufacturing sector is a main source of Uganda's tax revenue. As reported in the URA performance reports 2021, 2022 and 2023, the manufacturing sector contributed 22.7%, 22.62 and 23.16% respectively second to the wholesale and retail trade; repair of motor vehicles and motorcycles sector which contributed 29.43%, 28.07% and 26.34%. Therefore, manufacturing firms are of interest to the tax authority because the decline in tax compliance resulting from mismanagement of taxation would adversely impact the national resource envelope. Using a questionnaire survey with responses from the chief financial officers, internal auditors, or accountants in charge of tax matters in 160 manufacturing companies, we report that management accounting system makes a positive and significant contribution to tax management. We further report that the broad scope of information makes a more significant contribution to tax management than aggregation, integration and timeliness.

This study makes several contributions to the body of existing literature. First, we support the Resource-based View Theory by demonstrating that companies with significant technology resources, like MAS, are more capable at managing taxes than those without. Specifically, our results contribute by documenting that MAS and individual aspects are resources that significantly contribute to tax management. The implication of our results is that to improve tax management, emphasis should be on adopting and implementing automated information systems that enable the collection and processing of quality information for decisions relating to tax management matters. Manufacturing firms need to implement a comprehensive system that generates prompt tax reports incorporating both historical and future financial and non-financial tax data. In terms of policy, regulatory bodies like the Uganda Revenue Authority could encourage manufacturing firms to adopt robust management accounting systems than can provide quality, reliable and timely information relating to tax matters.

Second, this study's results contribute to the body of literature on tax management in developing countries, especially in Africa (Laguir et al., 2015) where empirical research on the topic is scarce. This study also builds and extends on the existing studies on managing tax affairs (Gallemore and Labro, 2015; McGuire, et al., 2018) whose focus was largely on the quality of information. The study adds to existing literature by documenting the contribution of MAS and its aspects in explaining variances in tax management.

The rest of the article is organized as follows. The literature review is discussed in the section that follows. The theory is examined in the literature review section, followed by the formulation of hypotheses. The literature review is followed by methodology and, finally, the findings. The discussion follows in the second-to-last part, followed by the conclusion and recommendations for additional study.

2.0 Literature review

2.1 Theoretical foundation

The resource-based view (Barney, 1991) explains that firms with internal resources and capabilities that are rare, valuable, inimitable, and non-substitutable are likely to achieve competitive advantage over those without. Based on the resource-based view, manufacturing firms possessing valuable resources can manage their tax affairs effectively and avoid tax penalties. According to Barney (1991), a firm's resources comprise all its assets, capabilities, organizational procedures, firm attributes, information, and knowledge that can be used to develop and execute strategies that increase the firm's effectiveness and efficiency. A management accounting system is a valuable resource that provides relevant information in terms of scope, aggregation, integration and timeliness that facilitates decisions involved in the management of tax affairs. The broad scope involves internal and external financial and non-financial tax information relating to past and future events which facilitate tax planning. MAS provides integrated information from different departments affecting the taxable incomes, deductions and liabilities.

Tax management involves planning, organizing, controlling and communicating tax affairs to ensure compliance and avoid fines and penalties. This requires having proper books of accounts, and audited accounts, deducting tax at sources, planning future taxes, and filling timely tax returns, which are all supported by an information system. Through provision of accurate, and timely tax information, MAS leads to improved tax management, sustainable performance and competitive advantage.

2.2 Literature review and Hypothesis development

2.2.1 Tax Management

Tax management refers to decisions and actions that ensure that the taxpayer minimizes tax risks. It is concerned with implementing strategies aimed at reducing annual tax payable on the firm's income and monitoring tax implications of corporate activities (PWC, 2008). Tax management is the downward control of taxable income through tax activities to pay a minimal amount of taxes, according to Hakim & Omri (2015). Moore et al. (2017) define tax management as the extent to which managers employ tax planning to keep cash inflows, tax liabilities, and/or tax-related expenses under control. Mulyadi and Anwar (2015) define tax management as the process of organizing a business to keep its tax liabilities as low as possible in accordance with the tax code while taking opportunity and political costs into account. Since taxes constitute a substantial expense for businesses and, ultimately, for shareholders, managing taxes is a crucial aspect of managerial activities. Effective management of tax affairs involves actions concerned with filling timely tax returns, having proper books of accounts, and audited accounts, deducting tax at sources, planning future taxes, and managing finances for purposes of paying taxes. Tax management in this study refers to the process of planning, organizing, controlling and communicating tax affairs to ensure compliance and avoid fines and penalties.

2.2.2 Management accounting systems

Management accounting systems refer to organizational controls concerned with an organization's information system designed to facilitate management decision-making (Gordon & Narayanan, 1984). Moores and Yuen (2001) define management accounting systems as formalized routines and procedures with the help of computers, technical staff, and financial modelling that make available information for purposes of decision-making. Gerdin (2005) described management accounting systems as those parts of the formalized information system used by organizations to influence the behaviour of their managers that lead to the attainment of organizational objectives. According to Bouwens and Abernethy (2000), management accounting systems are formal systems that provide sophisticated information to managers for effective operational decisions. Moores and Yuen (2001) emphasise that MAS provides quality information in terms of relevance, reliability, material, comparability and understandability.

Existing literature provides that MAS are essential resources for companies to make management decisions. Ghasemi et al. (2019) suggests that the main role of MAS is to support managers in decision making. Naranjo-Gil and Hartmann (2007) documents that MAS provide relevant information which assist managers to make strategic decisions. Naranjo-Gil and Hartmann (2007) provide evidence that the use of MAS influences organizational strategic change toward prospector positions which emphasizes innovations and rapid responses to environmental demands. According to Soin and Collier (2013), MAS enable value creation through effective use of resources, as well as envisioning future conditions affecting the business environment by fostering strategic direction and problem-solving. Using evidence from Iranian financial organizations, Ghasemi et al. (2019) indicated that MAS can assist managers to survive in a competitive and changing environment by providing helpful information for planning, controlling, monitoring and decision making. Mazi and Ebere (2019) also noted that with MAS, reports are produced regularly and routinely through clearly specified rules and habitual procedures which enhance planning and operational processes in organizations.

2.2.3 Management accounting system and tax management

Empirical evidence on the association between Management accounting systems and tax management is uncommon. However, existing literature suggests that the availability of quality information facilitates tax management. For example, Gallamore and Labro (2015) investigated the effect of the internal information environment on tax avoidance using evidence obtained from content data of 134 firms in Morocco. They found that the ability of the firm to avoid taxes is affected by the firm's internal information quality in terms of accessibility, usefulness, reliability, accuracy, quantity, and signal-to-noise ratio of the data and knowledge collected, generated, and consumed within an organization. Hamilton and Stekelberg (2017) in their study found that firms with high-quality information were able to avoid tax with less risk as compared to firms with low-quality information technology systems. McGuire et al. (2018) also indicated that quality information environments provide improved information that allows managers to identify and execute opportunities for tax-motivated income shifting. Additionally, Oats and Tuck (2019) document that corporations with systems and processes that integrate tax data with other information systems within the organization are more likely to minimize their tax liabilities.

We expect that firms with management accounting systems have greater access to information that is relevant for tax management decisions. MAS provides managers in manufacturing firms with information for learning about available tax incentives and holidays, tax laws, and applications and interpretations of new tax laws leading to accurate and appropriate tax reporting in response to tax environment requirements implying that managers are likely to receive information from well-designed and advanced MAS, and such information is suitable for planning, organizing, controlling and communicating tax matters leading to enhanced tax management. Implementation of MAS not only reduces delays and mistakes in human reporting procedures in tax reporting, and enables firms to remain updated with amendments in tax regulations (Wibowo, 2024). We therefore hypothesize that:

H1: Management accounting system positively contributes to tax management in manufacturing firms

2.2.4 Broad scope and tax management

Broad scope of the information is explained with the focus, quantity and time frame of the information (Bouwens & Abernethy, 2000). The focus dimension of broad scope refers to the ability of the system to collect information from both internal and external sources. Quantity relates to the ability of the system to collect both financial and non-financial information while the time frame refers to the extent to which the information collected relates to future rather than historical events. For this study, broad scope MAS provides internal, external, financial, and non-financial futuristic tax information that facilitates tax management. The broad scope information system provides management with external information relating to changing economic conditions and technological development in the tax administration and compliance leading to improved tax management.

According to previous studies (Ghasemi et al. 2019; Soobaroyen & Poorundersing, 2008) the broad scope of MAS positively and significantly enhances managerial performance. Similarly, Afifa and Saleh (2021) investigated the direct relationship between management accounting systems effectiveness and enterprise risk management using evidence from Jordan. Their findings indicate that broad scope MAS has a positive direct relationship with enterprise risk management. Afifa and Saleh (2021) also document that a wide variety of information and full information at a high-quality level generated by a broad-scope MAS facilitates managerial interests as well as maximizing the interests of other stakeholders. The broad scope aspect enables organizations to remain updated with the continuous amendments in tax regulations which support formulation of tax planning strategies. From this empirical evidence, we expect broad scope MAS to positively impact on the management of tax affairs in manufacturing firms.

H2- Broad scope has a significant effect on tax management

2.2.5 Aggregation and tax management

Aggregation refers to summation in formats consistent with formal decision models such as dis- counted cash flow analysis for capital budgeting, simulation and linear programming in budgetary applications, cost-volume-profit analysis, and inventory control models (Bouwens & Abernethy, 2000). In their study investigating the association between MAS and enterprise risk management, Afifa and Saleh (2021) found the aggregated information form MAS positive and significantly influencing how enterprises manage risks. They indicate that enterprises can effectively manage risk if they have systems providing information showing the influence of events in different activities as risk assessment is done on different activities. Other scholars like Ghasemi et al. (2019), Soobaroyen and Poorundersing (2008) also found that an aggregation of information is significantly important for achieving managerial performance. Soobaroyen and Poorundersing (2008) indicated that organizations should have effective MAS facilitating aggregation of information to enhance managerial performance in terms of planning and controlling. In this study, we expect that an aggregated MAS provides information reports summarizing tax effects on all activities from different sections which facilitate management decisions relating to corporate taxation. Also, the separation of capital expenditures from revenue expenditures enables accurate computation of the allowable deductions in determining the company's tax liabilities. Thus, we hypothesize that:

H3- Aggregation has a significant effect on Tax Management

2.2.6 Integration and tax management

According to Bouwens and Abernethy (2000), information about the operations of other departments within the company and how decisions taken in one department may affect the performance of other departments make up the integration dimension. The inputs, outputs, operational procedures, and technologies used by other departments may be related to this information. Reports that detail the kind and quantity of output generated by other departments, along with the expenses, income, and prices related to that output, are examples of integrated information (Bouwens & Abernethy, 2000). Ghasemi et al. (2019) define integration as the extent to which the information given by MASs covers the precise goals of the operations and the interrelationship with sub-units, as well as the documentation of interactions between sub-units. According to Soobaroyen and Poorundersing 2008, integrated information from MAS has significant influence on managerial performance. Ghasemi et al. (2019) found integration not significant in explaining managerial performance of financial organizations in Iran. Afifa and Saleh (2021) found that the integration dimension of MAS has a positive and significant association with enterprise risk management among Jordanian listed companies.

Given that tax-related information is often scattered in different departments, the integration of information gathers information from various sections like payroll, invoicing and sales revenue into a centralized platform. This facilitates accuracy in self-assessment of both direct and indirect taxes, which facilitates planning and reporting on tax matters. Therefore, we hypothesed that:

H4- Integration has a significant effect on Tax Management

2.2.7 Timeliness and tax management

The Timeliness characteristic means the degree of frequency of reporting and the pace of reporting provided to users by MAS (Afifa & Saleh, 2021). Pedroso and Gomes (2020) explain that timeliness reflects the concern of management to obtain information frequently and without delays to support timely decision-making. Existing literature documents inconclusive results on the influence of the timeliness attribute of MAS in managerial decision-making. For instance, Ghasemi et al, (2016 and 2019), and Soobaroyen and Poorundersing (2008) document that timeliness in MAS positive and significantly influences managerial performance. But Afifa and Saleh (2021) reported a non-significant negative relationship between timeliness and enterprise risk management. In taxation literature, Hamilton and Stekelberg (2017) noted that timely information facilitated by high quality information technology was among the most critical drivers of information quality in enabling effective tax planning. This study predicts a positive association between timeliness and tax management. This is because effective tax management encompasses the timely filling of tax returns which requires an information system that provides frequent reports on a systematic and regular basis. This is because missing deadlines for filing tax returns and payments attract fines and penalties. We therefore hypothesize that:

H5- Timeliness has a significant effect Tax Management.

3.0 Methodology

3.1 Design, population and sample

This study adopted a cross-sectional and correlational research design in which all data was collected at once to address a research phenomenon (Saunders et al., 2009). At the same time, because the study intended to measure the degree of association between MAS as the independent variable and dependent variable tax management, a correlational design was found appropriate (Creswell, 2014). This study population was 885 manufacturing firms that were members of the Uganda Manufacturers Association (Uganda Manufacturers Association, 2020) and were in the central region. This was because the largest number of firms (85%) were in central Uganda. Out of 885 firms, 242 firms were small, and were excluded from the study. This is because the taxation system in Uganda provides a specialized taxation for small firms using a presumptive tax regime different from medium/large. This left a total of 643 members of UMA of which 30 firms were in the provision of services such as banks and insurance firms; these were excluded from the study as URA categorizes them in the financial and assurance activities. The final population for this study therefore was 613 manufacturing firms from which a sample of 242 firms was obtained using Yamane's formula of $n=N/(1+N(e)^2$. We used a simple random sampling method and received 321 usable questionnaires from 160 firms, indicating a response rate of 66.1% which was sufficient according to Mellahi and Harris (2016). The unit of inquiry was at least two officers per manufacturing firm, including the Chief Finance Officer (CFO) or internal auditor, and tax accountant or any accountant in charge of tax affairs, and their responses were aggregated to a particular manufacturing firm. The CFOs were selected because they headed the finance and / accounts departments and as such had the overall responsibility of aligning all financial planning and taxation issues with business goals to help improve the efficiency of business operations. Internal auditors provided objective assurance on the effectiveness of the organization's risk management activities to ensure that key business risks were being managed appropriately, while accountants were involved in the preparation and filing of tax returns. Respondents were informed that participation was voluntary and the information they provided would be treated confidentially, and this statement was also included in the introductory paragraph of the questionnaire. Respondents were also allowed to decide when to complete the questionnaire provided it was within the time frame. The respondents' characteristics are presented in Table 1 below.

Table 1: Respondents' Characteristics

Details	Measurement	Frequency	Percentage
Gender	Male	173	53.9
	Female	148	46.1
Age	Less than 35 Years	72	22.4
	36 - 45 Years	178	55.5
	46 - 55 Years	69	21.5
	Above 55 Years	2	0.6
Level of education	Diploma	18	5.6
	Bachelor's Degree	148	46.1
	Master's Degree	142	44.2
	PhD	13	4.0

Source: Primary data

The majority of respondents were male at 53.9%, indicating that the positions of Chief Finance Officer, internal auditor and tax accountant were held by male. This confirms the UBOS report of 2019 which indicated that most employees (67%) in manufacturing firms were male. In terms of age, 55.5% of the respondents were between 35 and 45 years of age. Regarding the level of education, 46.1% held a Bachelor's degree while 44.2% had obtained a Master's degree. This meant that respondents had the required knowledge to understand the questions asked in the questionnaire.

3.2 Questionnaire and measurement of variables

A questionnaire with a six-point rating system, from 1-Completely Disagree, 2- Mostly Disagree, 3- Slightly Disagree, 4- Slightly Agree, 5- Mostly Agree And 6- Completely Agree was used to gather data for this study. The questionnaire was developed after reviewing empirical literature and theory underpinnings on management accounting systems and tax management. To measure management accounting systems, we applied an instrument developed by Chenhall and Moris (19860, Bouwens and Abernethy (2000), and Moores and Yuen (2001) using latent variables such as broad scope, aggregation, integration, and timeliness in providing information. Tax management was measured using latent variables such as planning, organizing, controlling, and communication proxies of management.

We also controlled confounding variables as they could falsely lead to rejecting the hypotheses that would have been accepted as Bartov et al. (2000) recommended. Previous study indicates that tax management is linked to corporate governance and capital structure (Minick & Noga, 2010). Therefore we selected board composition and financing approach as control variables because previous studies found them as significant influencers of tax management. For example, Minick and Noga (2010) found that board composition was significantly associated with tax management.

3.3 Reliability and validity

Reliability tests, including the Cronbach alpha reliability and the composite reliability (CR), were performed on the questionnaire. The Cronbach alpha coefficient measures the extent to which item scales measure the same construct or variable (Field, 2009; Hair et al., 2019). The sample variance–covariance matrix computed Cronbach's alpha, while factor loadings were used to evaluate composite reliability. According to Hair et al. (2019), the reliability of the questionnaire is considered to be high if both the Cronbach alpha and CR values are above 0.7; and for this study, both the values for the Cronbach α and CR were all above the 0.7 thresholds as presented in Table 2 below.

Table 2: Reliability and Validity Estimates

Management Accounting Practices	**Cronbach's Alpha**	**CR**	**AVE**	**VIF**
Aggregation	.748	.754	.501	1.601
Broad Scope	.870	.873	.608	1.716
Integration	.738	.761	.559	1.398
Timeliness	.713	.718	.539	1.264
Tax Management	**Cronbach's Alpha**	**CR**	**AVE**	**VIF**
Communication	.857	.858	.539	1.656
Controlling	.850	.859	.530	1.570
Organising	.799	.805	.554	1.511
Planning	.881	.884	.514	1.773
CR- *Composite Reliability*				
AVE-*Average Variance Extracted*				
VIF- *Variance Inflation Factor*				

Source: Primary data

For validity, both convergent and discriminant validity tests were performed. Convergent validity is about the extent to which the indicators belonging to one latent variable measure the same construct (Benitez et al., 2020); and it was tested using the Average Variance Explained (AVE). An AVE above 0.5 is acceptable (Hair et al., 2019; Benitez et al, 2020). Indeed, AVE of all variables was greater than the cutoff of 0.5-factor loading, implying that the items measured what they were supposed to measure. On the other hand, discriminant validity, is about the extent to which two or more constructs are statistically different from one another (Hair et al., 2019); and it was measured using the HTMT values suggested by Henseler et al. (2015). HTMT is the mean value of the item correlations across constructs relative to the geometric mean of the average correlations for the items measuring the same construct (Hair et al., 2019). According to Hair et al. (2019), HTMT should be less than 0.85 for conceptually different constructs and below 0.9 for conceptually similar constructs. For this study, HTMT values were found to be below 0.85, as can be seen in Table 3, indicating that the constructs were statistically different from one another.

Table 3: Using Heterotrait Monotrait (HTMT) Ratio for Discriminant Validity

Management Accounting Practices	**AG**	**BS**	**IG**	**TM**
Aggregation [AG]				
Broad Scope [BS]	.799			
Integration [IG]	.826	.772		
Timeliness [TM]	.776	.654	.613	
Tax Management	**CM**	**CN**	**OG**	**PL**
Communication [CM]				
Controlling [CN]	.892			
Organising [OG]	.859	.786		
Planning [PL]	.861	.849	.843	

Source: Primary data

Controls for common method bias (CBM)

This study controlled common method variance using procedural and statistical methods (Podsakoff et al., 2012). For procedural remedies: (i) Respondents received explicit notification that the information they submitted, and their identity would be kept private; (ii) At least two respondents were chosen from each manufacturing firm, and data was aggregated at firm level; (iii) The instrument did not include any double-barreled questions; (iv) The instrument was also pretested with a representative sample of respondents, comprising academics and practitioners, assessing the content validity. Statistically, Harman's single factor test was used to detect common method bias (Kock et al., 2021; Podsakoff et al., 2003). Results indicated that when all questionnaire items for a particular variable were loaded on to one factor the variance explained was less than 50%. For example, the management accounting system was 27.1%, while tax management was 26.6%. Podsakoff et al. (2003) recommended the use of Harman's single-factor test to check for common methods bias in perception-based researches that use questionnaires.

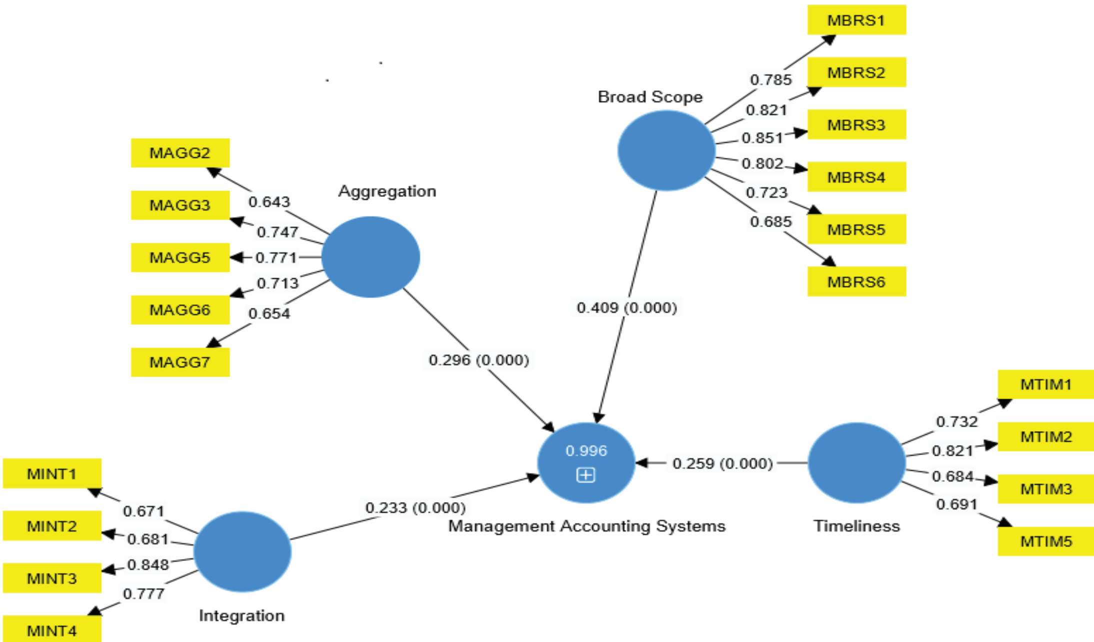
4.0 Data analysis

The purpose of this study was to establish the contribution effect of management accounting system and its attributes on tax management, using a survey of 160 manufacturing firms. As such, Smart PLS software version 3 was utilized. The choice was based on three factors as recommended by Hair et al. (2020): working with a large sample, testing a theoretical framework from a prediction perspective, and estimating path models that include one or more formatively measured constructs. A stepwise process of evaluating PLS results was employed, which starts with examining measurement models before assessing the structural models. While structural models look at the relationship between explanatory variables and the dependent variable, measurement models investigate the relationship between measured variables and their corresponding latent variable (Hair et al., 2017).

4.1 Measurement models

The measurement model in PLS-SEM examines the indicator loadings, which are the correlations between observable variables with the corresponding constructs (Hair et al., 2019; Schuberth, 2021). According to Hair et al. (2019), loadings above 0.708 indicate that the construct explains more than 50 per cent of the indicator's variance and therefore provides an acceptable item reliability. However, Benitez et al. (2020) argue that if the construct validity and reliability criteria are met, threshold for factor loadings as high as 0.708 is not important. Results in Figure 1 indicate a measurement model for MAS with loadings as low as 0.643 which are acceptable according to Benitez et al. (2020) as the criteria for validity and reliability were met as shown in Table 2.

Figure 1: Measurement Model for Management Accounting Systems



The results in Figure1 above indicate that all the four dimensions, i.e. broad scope, integration, aggregation and timeliness are significant measures of MAS, and when combined, they explain 99.6% of variance in MAS among manufacturing firms in Uganda. Results further show that MAS is more explained by the broad scope information with beta value of (β= 0.409, $p < 0.05$), aggregation followed with (β= 0.296, $p < 0.05$) then timeliness at (β= 0.259 $p < 0.05$) and integration is the least (β=0.233, $p < 0.05$).

Figure 2: Measurement Model for Tax Management

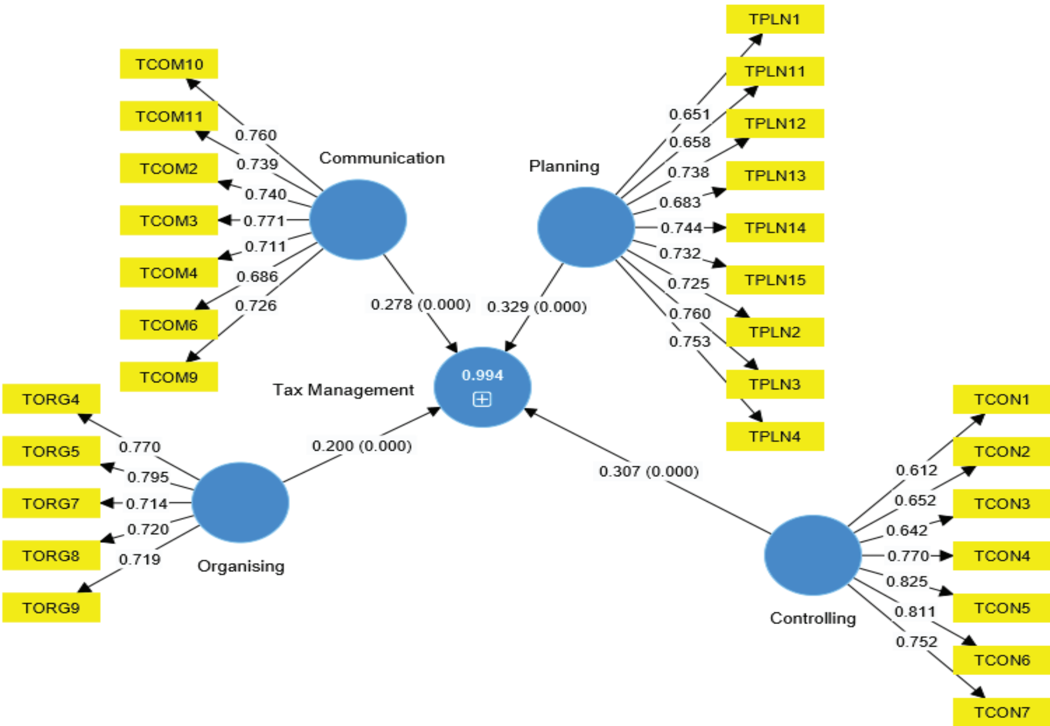


Figure 2 above shows the measurement model for tax management measures. The results indicated planning, controlling, organizing and communicating are significant measures for tax management. Following the arguments of Benitez et al. (2020), factor loading as low as 0.612 were considered acceptable.

4.2 Structural models

To examine the correlations among the study variables, the bootstrapping procedure, accompanied by pertinent t-statistics and path coefficients (Wong, 2013) was utilized. This is because bootstrapping procedure enables the research to assess the significance of loading and path coefficients. Results in Table 4 and Figure 3 show the significance of testing, relating to the global variables. We find that MAS positively and significantly contributes to tax management (β= 0.897, $p < 0.05$). This means that an improvement in MAS enhances tax management. Thus, H1, which states that "MAS is positively associated with tax management in Uganda's manufacturing firms", is supported.

Figure 3: Structural Model for Global variables

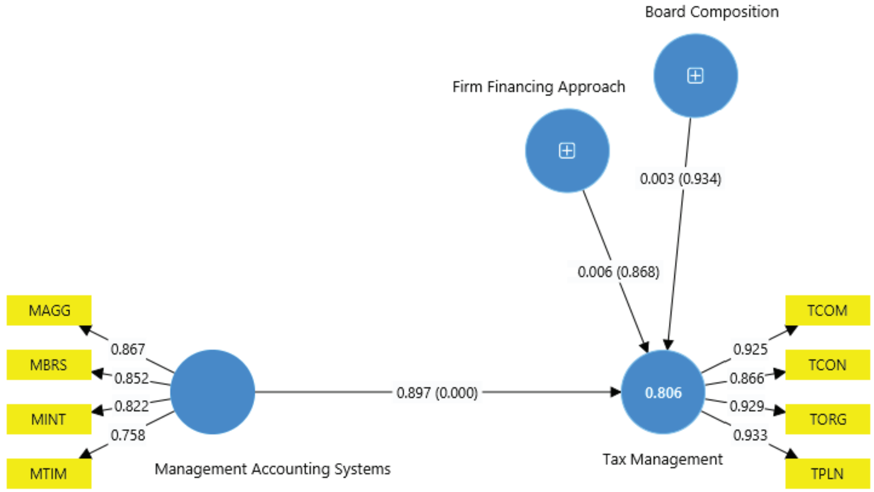
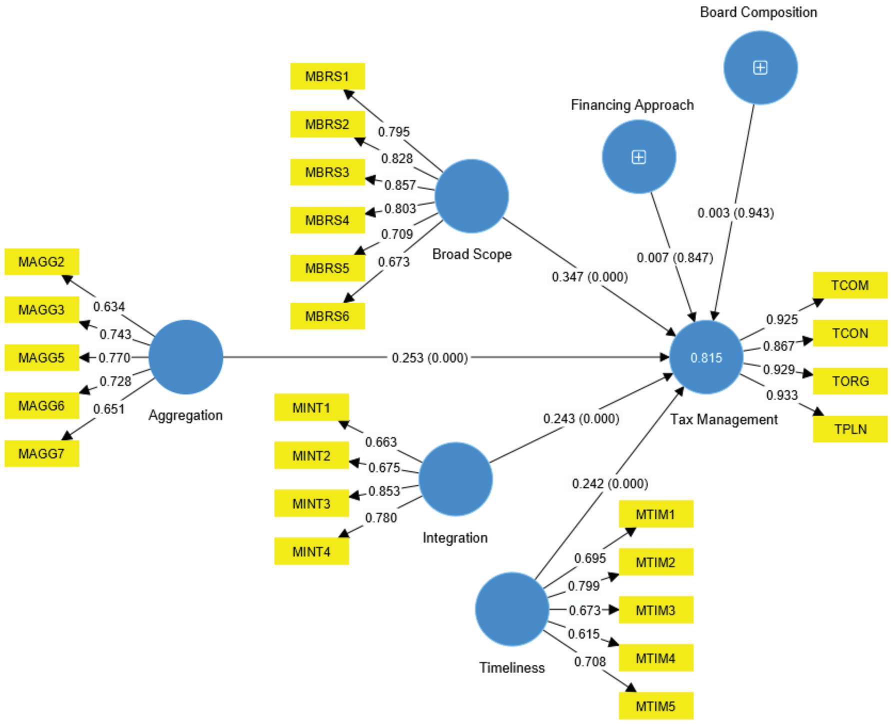


Table 4: Model Estimates for Management Accounting Systems and Tax Management

	B	Std. Error	T-*statistics*	*p-value*
Board Composition ▬► Tax Management	.003	.037	.083	.934
Firm Financing Approach ▬► Tax Management	.006	.037	.167	.868
Management Accounting Systems ▬► Tax Management	.897	.015	61.274	.000

Source: Primary data

Figure 4: Structural Model for Prediction of Tax Management



Results in Figure 4 above represent a structural model for the broad scope, integration, aggregation, and timeliness aspects of MAS in predicting tax management. The findings indicate that all MAS indicators make a significant contribution to tax management. Therefore, H2, H3, H4 and H5 are supported. It is further indicated that of the four aspects, broad scope is a stronger predictor ($\beta = 0.347$, $p < 0.05$), followed by aggregation ($\beta = 0.253$, $p < 0.05$), integration ($\beta = 0.243$, $p < 0.05$) and timeliness ($\beta = 0.242$, $p < 0.05$), respectively.

Table 5: Model Estimates for Management Accounting Systems and Tax Management

	β	**Std. Error**	**T-*statistics***	***p-value***
Financing Approach ▬► Tax Management	.007	.036	.193	.847
Board Composition ▬► Tax Management	.003	.036	.071	.943
Aggregation ▬► Tax Management	.253	.062	4.093	.000
Broad Scope ▬► Tax Management	.347	.067	5.199	.000
Integration ▬► Tax Management	.243	.064	3.823	.000
Timeliness ▬► Tax Management	.242	.054	4.521	.000

Source: Primary data

Table 5 indicated that beta values, t-statistics and the respective path coefficients were significant, which confirms the validity of the model based on explanations by Hair et al. (2020). We further calculated the effect size (f^2) for each predictor dimension and results are presented in Table 6. The f2 values that range from 0.020 to 0.150 indicate a small effect size, 0.150 to 0.350 indicate a medium effect, while values larger or equal to 0.350 indicate a large effect size (Benitez et al, 2020). Results indicated a medium effect size with board scope (f^2= 0.296), Aggregation (f^2= 0.153), integration (f^2= 0.163), and timeliness (f^2= 0.191). Additionally, the predictive relevance Q^2 was assessed using the blindfolding procedures in PLS-SEM; a value of 0.790 was obtained indicating a predictive accuracy of the model according to Hair et al. (2019). The Q^2 values are presented in Table 6.

Table 6: Effect Size and Model Fit Estimates

Effect Size Estimates	***f-square***	**Q^2 *predict***	**Model Fit Indices**	
Financing Approach	.000		SRMR	NFI
Board Composition	.000			
Broad Scope	.296			
Aggregation	.153			
Integration	.163			
Timeliness	.191			
Tax Management		.790	.075	.821

Source: Primary data

We used the SRMR to assess the overall goodness of fit for the estimated model, and the results in Table 6 show an SRMR value of 0.075, which is below the recommended threshold of 0.08 (Benitez et al., 2020). Our results suggest that the proposed model fits well in explaining the contribution of management accounting systems in terms of broad scope, aggregation, integration, and timeliness to tax management among manufacturing firms. Additionally, we ran the normed fit index (NFI), which is the ratio of the specified model to the null model. According to Hair et al. (2014) NFI values range from 0 to 1, and values closer to 1 indicate a good fit. As shown in Table 6, NFI value for the model was 0.821, indicating an acceptable relative model fit.

Regarding the control variables which are board composition, and capital structure, there is no evident prediction effect on tax management, according to the results. Although previous scholars like Minnick and Noga (2010), found board composition significantly associated with tax management, this study found a non-significant association. This could be attributed to different factors such as the difference in complexity of tax laws in the country where the studies were conducted, the board not being directly involved in tax management matters in some companies and such matters are left to tax departments to handle. We also found a non-significant association between financing approach and tax management. Tax management involves examining tax implications of different company activities including operations and regardless of the financing approach, the company should comply with the tax laws relating to such activities. Our results indicate that the control variables do not significantly explain any variance in tax management. Therefore, our models are quite credible since they are not affected by confounding variables.

5.0 Discussion

Underpinning the resource-based view (Barney, 1996), this study investigated the role of MAS in tax management. The study further investigated the contribution of each aspect of MAS, that is: broad scope, integration, aggregation and timeliness of information) in explaining variance in tax management. Our results indicate that MAS plays a positive and significant role in predicting tax management. We found that all the four dimensions of MAS make significant contributions to tax management. These results mean that the management accounting system provides relevant information that facilitates tax management decisions. The finding that management accounting systems significantly contribute to tax management is consistent with other research on the function of management accounting systems in supplying information that supports managerial choices. For example, Afifa and Saleh (2021) found that management accounting systems influence enterprise risk management. Other scholars like Ghasemi et al. (2019) and Soobaroyen and Poorundersing (2008) found that management accounting system is positively and significantly associated with management performance.

We found that the broad scope of information provided by MAS significantly contributes to tax management. This means that manufacturing firms in Uganda can manage tax affairs and avoid fines and penalties if their information system can collect information from internal and external sources. The broad scope information system provides management with external information relating to changing economic conditions and technological development in the tax administration and compliance leading to improved tax management. In addition, the broad scope MAS that collects and processes tax information relating to future events like proposed amendments in tax laws enables firms to prepare for the required interpretation of such laws which leads to improved tax management. Through combining both historical and predictive analytics, MAS broad scope enables the optimization of tax strategies, which helps manufacturing firms to leverage tax incentives and minimize tax liabilities. Our results do not differ from those of previous studies: for example, Ghasemi et al. (2019) and Soobaroyen and Poorundersing (2008) document that the broad scope MAS positively and significantly enhances managerial performance. Similarly, Afifa and Saleh (2021), using evidence from Jordan, found that broad scope MAS significantly related to enterprise risk management.

Regarding the contribution of the aggregation aspect of MAS towards tax management, we find that aggregation of information significantly improves on management of tax affairs. This implies that firms with systems providing information that show the tax implications of events in different activities, summarized reports on effect of different sections activities for each department and the overall organization, are effective in tax management. An aggregated MAS also provides tax details about the impact of a transaction at a specific time. By automatically producing standardized tax reports, MAS aggregation improves the filing process and facilitates tax reporting. Furthermore, the separation of revenue costs information from capital costs in an aggregated MAS, facilitates accurate tax reporting, which leads to improved tax management.

Our results agree with the findings of Afifa and Saleh (2021) that aggregated information from MAS is positive and significantly associated with enterprise risk management. Other scholars like Ghasemi et al., 2019; Soobaroyen and Poorundersing, 2008) also found aggregation of information significantly important for achieving managerial performance. Soobaroyen and Poorundersing (2008) indicated that organizations should have effective MAS facilitating aggregation of information to enhance managerial performance in terms of planning and controlling.

Results further indicate that the integration of information provided by MAS significantly contributes to tax management. If the information provided by MAS includes the specific objectives of the activities, the relationship with sub-units, and the documentation of contacts between sub-units, then it is implied that corporations manage their taxes properly. For example, an integrated MAS can provide tax information relating to the tax decisions on the performance of other departments. An information system that provides tax information about different department costs and the pricing of goods facilitates accurate assessment of taxes, especially indirect taxes like value added tax and excise duties. MAS integration also creates a centralized repository of tax information from different sections in the firm, maintaining an audit trail with consistent and well-organized tax data which facilitated the regular internal and tax audits. Although our results contradict the findings of Ghasemi et al. (2019) that integration is not significant in explain managerial performance of financial organizations in Iran, they concur with the findings that integrated information from MAS has a positive and significant relationship with enterprise risk management (Afifa & Saleh, 2021) and managerial performance (Soobaroyen & Poorundersing, 2008).

Also, the contribution of timeliness towards tax management was found to be positive and significant. Implying that for effective tax management in manufacturing firms, there must be an information system that provides information immediately upon request. MAS, in which information is supplied to management whenever it is needed, facilitates timely decisions which in turn enables the organization to communicate tax matters within periods specified by the tax laws. MAS timelines ensure timely completion of tax filings and payments within the period specified by the tax laws. This reduces the risks associated with late filing and payments like tax penalties and legal issues. With the Timeliness attribute, MAS can provide frequent reports on tax implication of different organizational activities which enhances tax planning and controlling just as previously noted by Hamilton and Stekelberg (2017). Our results agree with Ghasemi et al. (2016), Ghasemi et al. (2019) and Soobaroyen and Poorundersing (2008), who found that timeliness in MAS is positive and significantly influences managerial performance. However, Afifa and Saleh (2021) reported a non-significant negative relationship between timeliness and enterprise risk management.

6.0 Conclusion

The study aimed at investigating the role of management accounting system in tax management. The study further aimed at establishing whether the specific attributes of MAS individually had an association with tax management. A questionnaire study of 160 manufacturing companies in Uganda, with CFOs, internal staff, and accountants serving as the units of inquiry, was used to accomplish the study objectives. Results indicated that MAS plays an important role in providing information that facilitates tax management. Results also showed that all the four attributes of broad scope, integration, aggregation and timeliness were positive and significantly associated with tax management. We further report that of the MAS attributes, the broad scope information was the strongest in explaining tax management. This study provides theoretical support for the resource-based approach, which holds that businesses with more technology resources, specifically MAS, are more adept at managing taxes. Organizational resources such as information systems provide quality, relevant and reliable tax information, leading to improved tax management.

Our results indicate that MAS and its attributes significantly contribute to tax management. Therefore, those in charge of the management and governance of manufacturing firms should ensure that firms are equipped with robust information systems that provide information for tax decision-making. Accurate tax assessment and timely return filing are made possible using management accounting systems that offer comprehensive, aggregated, integrated, and timely information. For example, with a broad scope MAS, firms can gather and process information from internal and external sources used to analyse tax implications of all budgeted expenditures, which is essential for controlling tax expenditure. Broad-scope information also enables firms to keep up-to-date with new amendments in tax laws which facilitate tax management strategies. It is important that firms adopt MAS in which information is supplied to managers to enable prompt responses to messages from the tax authority and thus improved tax management.

In terms of policy, regulatory bodies like the Uganda Revenue Authority could encourage manufacturing firms to adopt robust management accounting systems than can provide quality, reliable and timely information relating to tax matters. The Electronic Fiscal Receipting and Invoicing Solution (EFRIS), which records company transactions and shares the data with URA in real time (concurrently), was recently promoted by URA for businesses. This system does not meet the broad breadth, aggregation, and integration features of management accounting systems, even though it allows taxpayers to track and validate company activities in real time for timely and effective business management. Therefore, firms should have information systems able to collect, and process financial and non-financial information from both internal and external sources for effective tax management.

This study also contributes to literature on tax management among manufacturing firms in developing economies by providing empirical evidence on the role of the management accounting system and its attributes. Previous studies have largely focused on examining the role of quality information in explaining variances in tax management, specifically tax planning/ avoidance (Gallemore & Labro, 2015). These findings add to such literature by examining the effect of specific attributes of a system that provides quality information in explaining variances in tax management. These findings mean that an information system should have the characteristics of broad scope, aggregation, integration and timeliness for it to provide quality and reliable information requirements for effective tax management.

7.0 Limitations and future research

This study has some limitations despite the significant contributions made. First, this study only looked at a limited sample of Ugandan manufacturing companies; hence it may only be applicable to Uganda and other nations with comparable tax laws. Therefore, similar research may be conducted involving other sectors like financial services sector and in different contexts. Second, this study only focused on medium/large firms, results may not be generalized to small firms. Future studies could explore and compare if the relationship between MAS and tax management differs. Third, this study only focused on the contribution of individual aspects of MAS and their interactive effect was not examined; which could be considered in future studies.

References

Abu Afifa, M.M. and Saleh, I. (2021). Management accounting systems effectiveness perceived environmental uncertainty and enterprise risk management: Evidence from Jordan. *Journal of Accounting & Organizational Change*, *17*(5), pp.704-727.

Armstrong, C.S., Blouin, J.L., Jagolinzer, A.D., and Larcker, D.F. (2015). Corporate governance, incentives, and tax avoidance. *Journal of Accounting and Economics* 60 (2015), pp. 1-7.

Bartov, E., Gul, F.A. and Tsui, J.S.L. (2000), “Discretionary-accruals models and audit qualifications”.

Journal of Accounting and Economics, Vol. 30 No. 3, pp. 421-452.

Beasley, M. S., Goldman, N. C., Lewellen, C. M., & McAllister, M. (2021). Board risk oversight and corporate tax-planning practices. *Journal of Management Accounting Research*, 33(1), pp. 7-32.

Benitez, J., Henseler, J., Castillo, A., & Schuberth, F. (2020). How to perform and report an impactful analysis using partial least squares: Guidelines for confirmatory and explanatory IS research. *Information & Management*, 57(2), pp. 103168.

Bouwens, J., & Abernethy, M. A. (2000). The consequences of customization on management accounting system design. *Accounting, Organizations and Society*, 25(3), pp. 221-241.

Creswell, J. W. (2014). *A concise introduction to mixed methods research*. SAGE publications, Washington.

Cronbach, L.J. (1951), "Coefficient alpha and the internal structure of tests". *Psychometrika*, 16, pp. 297-334.

Feller, A., & Schanz, D. (2017). The three hurdles of tax planning: How business context, aims of tax planning, and tax manager power affect tax expense. *Contemporary Accounting Research*, 34(1), pp. 494-524.

Field, A. (2009), *Discovering Statistics Using SPSS*, 3rd ed., Sage Publications, London.

Ghasemi, R., Habibi, H. R., Ghasemlo, M., & Karami, M. (2019). The effectiveness of management accounting systems: evidence from financial organizations in Iran. *Journal of Accounting in Emerging Economies*, 9(2), pp.182-207.

Ghasemi, R., Azmi Mohamad, N., Karami, M., Hafiz Bajuri, N., & Asgharizade, E. (2016). The mediating effect of management accounting system on the relationship between competition and managerial performance. *International Journal of Accounting and Information Management*, 24(3), pp. 272-295.

Gerdin, J. (2005). Management accounting system design in manufacturing departments: an empirical investigation using a multiple contingencies approach. *Accounting, Organizations and Society*, 30(2), pp. 99-126.

Graham, J. R., Hanlon, M., Shevlin, T., & Shroff, N. (2014). Incentives for tax planning and avoidance: Evidence from the field. *The Accounting Review*, 89(3), pp. 991-1023.

Gordon, L. A., & Narayanan, V. K. (1984). Management accounting systems, perceived environmental uncertainty and organization structure: an empirical investigation. *Accounting, organizations and society*, 9(1), pp. 33-47.

Hasan, I., HOI, C. K., Wu, Q., & Zhang, H. (2017). Does social capital matter in corporate decisions? Evidence from corporate tax avoidance. *Journal of Accounting Research*, 55(3), pp. 629-668.

Hakim, I. H., & Omri, M. A. B. (2015). Auditor quality and tax management: evidence from Tunisian companies. *International Journal of Managerial and Financial Accounting*, 7(2), pp. 151-171.

Hamilton, R., & Stekelberg, J. (2017). The effect of high-quality information technology on corporate tax avoidance and tax risk. *Journal of Information Systems*, 31(2), pp. 83-106.

Hair, J. F., Howard, M. C., & Nitzl, C. (2020). Assessing measurement model quality in PLS-SEM using confirmatory composite analysis. *Journal of Business Research*, *109*, 101-110.

Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. *European Business Review*, 31(1), pp. 2–24.

Hair Jr, J. F., Matthews, L. M., Matthews, R. L., & Sarstedt, M. (2017). PLS-SEM or CB-SEM:

updated guidelines on which method to use. *International Journal of Multivariate Data Analysis*, 1(2), 107-123.

Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of the Academy of Marketing Science,* 43(1), pp.115–135.

Hbaieb, I. H., & Omri, M. A. B. (2019). Tax management and tax fraud: evidence from Tunisian companies. *International Journal of Managerial and Financial Accounting*, 11(2), pp.132-144.

Iazzi, A., Vacca, A., Maizza, A., & Schiavone, F. (2023). The role of corporate board and auditors in tax planning: evidence from Italy. *Management Research Review*, *46*(3), pp.321-339.

Lakuma, C. P. (2019). *Income Tax Evasion in Uganda*. Economic Policy Research Centre. Research Series (149).

Laguir, I., Elbaz, J., & Laguir, L. (2015). Empirical evidence on SMEs' tax management. *Applied Economics Letters*, 22(14), pp. 1133-1137.

Mazi, C. and Ebere, C. (2019), "Management accounting system and performance of quoted insurance companies in Nigeria", *International Journal of Innovative Finance and Economics Research,* Vol. 7 No. 2, pp. 82-88

Mellahi, K., & Harris, L. C. (2016). Response rates in business and management research: An overview of current practice and suggestions for future direction. *British Journal of Management*, 27(2), 426-437.

McGuire, S. T., Rane, S. G., & Weaver, C. D. (2018). Internal information quality and tax-motivated income shifting. *The Journal of the American Taxation Association*, *40*(2), pp. 25-44.

Mdala, W.P. (2018). *The digest of tax cases in Uganda. Volume A-Income tax* 2018 Edition. Pearson Tax Chambers.

Minnick, K., & Noga, T. (2010). Do corporate governance characteristics influence tax management? *Journal of corporate finance*, 16(5), pp. 703-718.

Moore, J. A., Suh, S., & Werner, E. M. (2017). Dual entrenchment and tax management: Classified boards and family firms. *Journal of Business Research*, 79, pp.161-172.

Moores, K., & Yuen, S. (2001). Management accounting systems and organizational configuration: a life-cycle perspective. *Accounting, Organizations and society*, 26(4-5), pp.351-389.

Naranjo-Gil, D., & Hartmann, F. (2007). Management accounting systems, top management team heterogeneity and strategic change. *Accounting, Organizations and Society*, 32(7-8), 735-756.

Oats, L., & Tuck, P. (2019). Corporate tax avoidance: is tax transparency the solution? *Accounting and Business Research*, 49(5), 565-583.

Rely, G. (2023). Benefits and Challenges of Tax Management as an Important Foundation of Corporate Financial Management. *Jurnal Ekonomi, Akuntansi dan manajemen Indonesia,* 1(02), 80-89.

Saunders, M., Lewis, P., & Thornhill, A. (2009). *Research methods. Business Students* 5th edition, Pearson Education Limited.

Schuberth, F. (2021), "Confirmatory composite analysis using partial least squares: setting the record straight", *Review of Managerial Science*, 15 (5),1311-1345.

Soobaroyen, T., & Poorundersing, B. (2008). The effectiveness of management accounting systems: Evidence from functional managers in a developing country. *Managerial Auditing Journal*, 23(2), pp. 187-219.

Uganda Manufacturers' Association (2020). List of members, Available at: https://www.uma.or.ug/membership/. (Accessed on 15th June, 2021).

Uganda Revenue Authority (2020). Non-compliant taxpayers. Available at: https://www.ura.go.ug/resources/webuploads/GNRART/Final%20list%20Non%20compliant%20Taxpayers.pdf (Accessed on 12th January, 2022).

Uganda Revenue Authority. (2022). *Taxation handbook* 4th edition 2022. Available at: https://ura.go.ug/resources/webuploads/INLB/Taxation%20Handbook%204th%20Edition%202022_10.02.2022.pdf (Accessed on 20th April, 2022)

Uganda Revenue Authority. (2023). A Guide to Taxation of the manufacturing sector. Vol 1(4).

Uganda Revenue Authority. (2022). URA continues to penalize non-DTS compliant companies. Available at: https://ura.go.ug/en/2212/#:~:text=More%20than%2040%20companies%20dealing,and%20some%20suburbs%20in%20Kampala (Accessed on 13th February, 2023

Wibowo, I. (2024). Tax Management Strategy for Company Operational Effectiveness. *Atestasi: Jurnal Ilmiah Akuntansi*, 7(1), 1-12.

The Ugandan Journal of Management and Public Policy Studies (UJMPPS)
December 2024, Vol. 25, No. 1, pp. 24-41
ISSN: 2078-7049 (Print), 2959-4316 (Online)

Published by Uganda Management Institute

Influence of Competitive Strategies on the Performance of Small Manufacturing Enterprises in Kampala Metropolitan, Uganda

Maureen Welishe Namugenyi[1], Robert Agwot Komakech[1], Rose B. Namara[1] & Thomas O. Ombati[2]

[1]Uganda Management Institute

[2]University of Nairobi

Corresponding e-mail: kagwot@gmail.com

Article History

Received: September 03, 2024
Revised: November 30, 2024
Accepted: December 15, 2024

Abstract

The effectiveness of competitive strategies in enhancing firm performance has been widely acknowledged. Yet, their applicability and impact in small manufacturing enterprises operating in resource-constrained and competitive environments like Kampala Metropolitan remain underexplored. This study examines the influence of competitive strategies on the performance of small manufacturing enterprises in Kampala Metropolitan, Uganda. Using a cross-sectional research design, data were collected from 96 respondents, including owners, operations managers, and marketing managers of small manufacturing firms. The study employed a quantitative method to analyse the relationship between competitive strategies and firm performance. Results revealed that cost leadership and focus strategies positively and significantly influence firm performance, with cost minimization in production, human resource management, and procurement contributing to increased profitability. The focus strategy, mainly targeting specific market segments, was also found to enhance customer satisfaction and market share. While the differentiation strategy demonstrated a statistically significant positive relationship with firm performance in the correlation analysis, it was not significant under regression analysis. This suggests that although offering unique products and services can foster customer loyalty and premium *pricing, the overall impact of differentiation on performance is less pronounced when considering the combined influence of all strategies. The study confirms the relevance of the Resource-Based View (RBV), Institutional Theory, and Dynamic Capabilities Theory in explaining how competitive strategies drive firm performance. Theoretical and practical implications highlight that small firms' need to implement cost leadership strategically, focus on niche markets, and prioritize differentiation to achieve long-term business growth. The study's main limitations include its geographical scope and cross-sectional design, suggesting areas for further research.*

Keywords: *Competitive Strategies, Cost Leadership, Focus Strategy, Differentiation, Firm Performance, Small Manufacturing Enterprises, Kampala Metropolitan*

1.0 Introduction

Small Manufacturing Enterprises (SMEs) play a pivotal role in emerging economies' economic development and industrial growth, particularly in Africa, where they comprise over 90% of businesses and make substantial contributions to GDP (Kharub, Mor & Sharma, 2018; World Bank, 2019; MoFPED, 2024). To promote the growth of the Ugandan economy by accelerating industrial development, the Ministry of Trade, Industry, and Cooperatives has supported the growth of several Industries. The expansion of the industry has led to the creation of numerous manufacturing companies, both domestic and foreign-owned, which encompass a wide range of sectors such as food processing, tobacco, beverages, footwear, textiles, clothing, paper, chemicals, publishing and printing, paints and soaps, cement, clay, metal products and ceramic products (UIA Report, 2021/2022). These SMEs are key drivers of employment opportunities and are crucial for promoting innovation and localized production (MoTIC Reports, 2020/201).

In the context of Kampala Metropolitan, small manufacturing enterprises form a vital part of the local economy, providing essential goods and services while driving innovation and productivity in various sectors, such as food processing, textiles, and chemicals (NPA, 2020; Uganda Investment Authority, 2021/2022; MoFPED, 2024). Despite their importance, these enterprises encounter numerous challenges, including limited access to capital, competition from larger firms, and insufficient institutional support, all hindering their growth and sustainability (Alkasim, Hilman, Bohari, Abdullah, & Sallehddin, 2018; Mathiyazhagan, Sengupta & Mathivathanan, 2019). This study examines the impact of competitive strategies, specifically cost leadership, focus, and differentiation on the performance of small manufacturing enterprises in Kampala, offering valuable insights for businesses operating in competitive markets within resource-constrained settings.

Research in strategic management often references Porter's (1980) generic strategies (such as cost leadership, differentiation, and focus) as foundational approaches for achieving and sustaining competitive advantage. Cost leadership, for example, allows firms to operate with the lowest production costs in their industry, attracting price-sensitive customers by offering lower-priced products without compromising quality (Porter, 1985; Valipour, Birjandi,

& Honarbakhsh, 2012). Studies (Soni & Kodali, 2011; Surono, Suryanto, & Anggraini, 2020) suggest that cost leadership can be particularly effective for small manufacturing enterprises in price-sensitive regions such as Kampala, where consumers tend to prioritize affordability over brand recognition. By optimizing operational efficiencies and minimizing waste, small manufacturing enterprises pursuing cost leadership can improve profit margins and enhance market share, enabling them to compete effectively against larger firms with more excellent financial resources (Kharub et al., 2018).

Furthermore, Zahay and Griffin (2010) and Alkasim et al. (2018) emphasize that achieving sustainable cost leadership is challenging, requiring a careful balance between ongoing cost control measures and maintaining product quality to avoid negative impacts on brand reputation. This balance is especially critical for small manufacturing enterprises, where resource constraints often hinder the implementation of large-scale cost-reduction strategies without compromising product or service quality. Studies (including Valipour et al., 2012; Kharub et al., 2018) indicate that while pursuing cost leadership can enhance market penetration and increase profitability, sustaining it requires investment in efficient production processes and rigorous quality management to ensure customer satisfaction and loyalty. Despite the documented advantages of cost leadership, it is not universally applicable across all market segments or industries.

Researchers such as Ge and Ding (2005) and Baker and Sinkula (2005) argue that small manufacturing enterprises in developing markets often gain more from adopting a focused strategy that targets specific niches or customer segments with tailored products or services. This approach enables small manufacturing enterprises to leverage specialized knowledge and resources to meet the unique needs of a defined market, often resulting in enhanced customer satisfaction and loyalty (Valipour et al., 2012). In Kampala, where local consumer preferences and market demands vary significantly, focus strategies allow small manufacturing enterprises to differentiate themselves by quickly responding to localized needs (Alkasim et al., 2018). By concentrating their resources on a niche market, small manufacturing enterprises can achieve higher performance levels through increased customer retention, repeat purchases, and stronger brand loyalty (Kharub & Sharma, 2018). Furthermore, Baker and Sinkula (2005) and Porter (1980) emphasize that a successful focus strategy necessitates continuous market research and adaptability to ensure the firm remains aligned with the evolving needs of its target segment. This strategic alignment enables small manufacturing enterprises to maintain competitive edge and respond proactively to market shifts, ensuring sustained customer satisfaction and loyalty.

The differentiation strategy, one of Porter's competitive strategies, focuses on creating unique products or services perceived as superior or more desirable than those offered by competitors. This approach often requires investments in innovation, branding, and quality enhancements, allowing firms to command premium prices and establish a robust market presence (Valipour et al., 2012; Kharub et al., 2018). The firm's Resource-Based View (RBV), introduced by Barney (1991), supports differentiation by highlighting the significance of unique, valuable, and inimitable resources in achieving sustained competitive advantage. For small manufacturing enterprises in Kampala metropolitan, differentiation can enable competition based not only on price but also on product value and quality, thereby attracting a loyal customer base willing to pay higher prices for perceived benefits (Zahay & Griffin, 2010; Ge & Ding, 2005). However, executing a differentiation strategy requires substantial financial resources, posing challenges for resource-constrained small manufacturing enterprises. Valipour et al. (2012) noted that maintaining differentiation over time necessitates continuous investment in innovation and brand development to stay ahead of competitors and fulfil customer expectations.

In Uganda, eight out of ten newly established small manufacturing enterprises that start tend to close the business due to their inability to cope with the cutthroat competition that they face from older industries and multinational and foreign-owned companies that benefit from tax holidays and exemptions (UMA Reports, 2021/2022). This study sought to fill this gap by examining how small manufacturing enterprises in Kampala can strategically leverage competitive strategies to improve performance and establish a competitive foothold in the market. The findings of this study were aimed to contribute to the broader field of strategic management by contextualizing competitive strategies within an emerging market framework. Understanding the influence of competitive strategies on small manufacturing enterprises' performance in Kampala metropolitan could offer actionable insights for business practitioners and policymakers, helping to shape support programmes that foster the growth and resilience of SMEs.

2.0 Literature Review

2.1 Theoretical Framework

The study is based on the Resource-Based View (RBV) theory, which asserts that a firm's competitive advantage arises from its internal resources and capabilities (Wernerfelt, 1984; Barney, 1991). According to the RBV, rare, valuable, inimitable, and non-substitutable resources (VRIN) are essential for achieving sustained competitive advantage. In the context of small manufacturing enterprises, the RBV provides insight into how firms can utilize unique assets, such as specialized knowledge or proprietary technologies to differentiate themselves and enhance performance (Helfat, Finkelstein, Mitchell, Peteraf, Singh, Teece & Winter, 2006; Helfat & Peteraf, 2015; Komakech, Ombati, Kikwatha & Wainaina, 2024). However, the RBV theory has faced criticism for its insufficient consideration of external factors, such as market conditions and industry dynamics, which significantly influence firm performance (Scott, 2008). A recent literature review by Komakech et al. (2024) on RBV in Supply Chain Management (SCM) expands on this critique, highlighting that the internal focus of RBV may overlook significant complexities within supply chains and broader industry pressures. Specifically, the study underscores the increasing reliance on advanced technologies such as Blockchain, Artificial Intelligence, and the Internet of Things as strategic resources within SCM. These technologies enhance transparency, efficiency, and responsiveness and signify a shift towards sustainable practices, aligning with RBV principles to provide lasting competitive advantage in SCM (Komakech et al., 2024).

To address the internal focus of the RBV, there is need to integrate Dynamic Capabilities Theory (Teece, Pisano & Shuen, 1997). This approach tackles the limitations of RBV by emphasizing a firm's ability to adapt to dynamic market environments, which is vital in the volatile landscape of small-scale manufacturing, including managing dynamics in the costing and pricing of goods and services. Additionally, Institutional Theory (DiMaggio & Powell, 1983; March & Olsen, 1984; Scott, 2008) complements the RBV by illustrating how regulatory, normative, and cognitive pressures shape organizational behaviour, thus providing a more comprehensive understanding of how external factors influence competitive strategies. Moreover, Komakech et al. (2024) highlight the significance of cross-functional collaboration and technology in Supply Chain Management (SCM), reinforcing the value of RBV while pointing to the necessity for an adaptable SCM framework. For small manufacturing firms in Kampala, strategically investing in technology-enabled SCM systems could significantly enhance operational efficiency and responsiveness, empowering them to leverage their internal resources while gaining the agility needed to meet market demands. This theoretical integration indicates that while RBV offers a foundational grasp of how internal resources contribute to competitive advantage, the perspectives of dynamic capabilities and institutional theory are essential for understanding how firms navigate complex environments. Collectively, these frameworks enable small manufacturers to develop competitive strategies that effectively balance internal strengths with external challenges.

2.2 Conceptual Framework

This study focuses on three competitive strategies: cost leadership, focus market, and differentiation strategy, as Porter (1980) outlined. The cost leadership strategy emphasizes minimizing operational costs through enhanced efficiency and achieving economies of scale to offer competitively priced products. This approach improves market penetration and boosts profit margins while maintaining a focus on quality (Porter, 1980; Valipour et al., 2012; Teeratansirikool, Siengthai, Badir & Charoenngam, 2013; Kharub et al., 2018). The focus market strategy allows customized offerings that enhance customer loyalty and increase market share, crucial for adaptability in dynamic environments such as Kampala (Baker & Sinkula, 2005; Ge & Ding, 2005). Differentiation, on the other hand, stresses the development of unique, high-value products supported by innovation and strong branding, leveraging rare resources for a sustained competitive advantage; however, the associated resource demands may pose challenges for SMEs (Wernerfelt, 1984; Valipour et al., 2012; Kharub et al., 2018; Komakech et al., 2024). The conceptual framework illustrated in Figure 1 demonstrates the hypothesized relationships between competitive strategies (cost leadership, focus, and differentiation) and the performance of small manufacturing enterprises.

Competitive Strategies (IV)

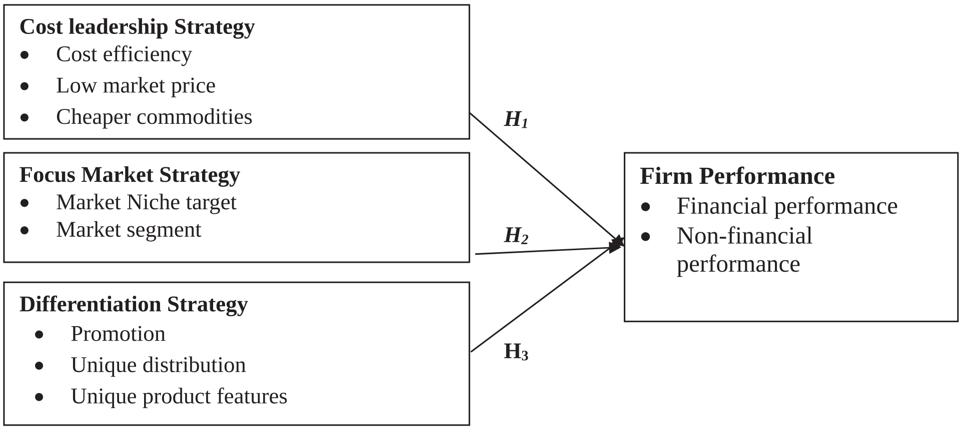


Figure 1: Competitive Strategies on the Performance of Small Manufacturing Enterprises

Source: Adopted from Porter (1980), Barney (1991), Teeratansirikool et al. (2013) and modified by the researchers.

2.3 Cost Leadership Strategy and Firm Performance

Cost leadership remains one of the most widely used strategies for competitive advantage in various enterprises. Michael Porter (1980) initially proposed that businesses could outperform their competitors by minimizing operational costs. This notion remains relevant in contemporary business environments, where cost leadership allows firms to lower prices while maintaining profitability. Pursuing a cost leadership strategy necessitates stringent cost control measures, investments in production efficiency, and optimization of supply chain processes (Porter, 1985; Valipour et al., 2012). This approach is especially pertinent in enterprises with price-sensitive consumers prioritizing affordability over brand differentiation. Research on SMEs indicates that adopting a cost leadership strategy can result in significant performance improvements due to reduced operational costs, ultimately enhancing profit margins (Alkasim, Hilman, Abdullah & Sallehddin, 2018; Kharub, Mor & Sharma, 2018).

Empirical evidence suggests that SMEs implementing cost leadership strategies frequently experience heightened efficiency and competitive pricing, leading to better market penetration and sales growth (Alkasim et al., 2018). This aligns with the theoretical perspective that firms that achieve cost efficiency can reallocate resources to scale operations and increase market share (Ge & Ding, 2005). Valipour et al. (2012) state that companies must balance cost reduction and product quality; failing to do so may result in customer dissatisfaction and diminished brand loyalty. Research across various global contexts has highlighted that integrating quality management can enhance the positive effects of cost leadership strategies on performance. Kharub et al. (2018) found that while cost leadership alone may not secure superior performance, incorporating quality management practices enables SMEs to maintain competitive advantages and improve overall firm performance. Based on the above assertion, the researchers hypothesized that:

Hypothesis 1: *Cost leadership strategy has a positive and significant influence on the performance of small manufacturing enterprises in Kampala Metropolitan.*

2.4 Focus Market Strategy and Firm Performance

The focus strategy, which targets a specific market segment or niche, allows firms to customize their products or services to address the distinct needs of a defined customer base. Porter (1980) posited that this strategy could enable firms to build strong customer loyalty by offering tailored products or services. This strategic approach is particularly beneficial for small and medium-sized enterprises (SMEs) aiming to distinguish themselves in highly competitive markets (Baker & Sinkula, 2005; Zahay & Griffin, 2010). Ge and Ding (2005) and Zahay and Griffin (2010) highlight that companies employing focus strategies often emphasize building strong customer relationships and offering specialized products, which results in heightened customer loyalty and retention. By tailoring their offerings to meet the specific needs of a targeted segment, these companies create value that resonates with customers, fostering long-term loyalty.

Furthermore, research on market orientation indicates that SMEs utilizing a focused approach can align their resources and capabilities more effectively with customer preferences, enhancing their adaptability and responsiveness to market fluctuations (Ge & Ding, 2005). This strategic alignment promotes customer satisfaction and repeat business, contributing to sustained firm performance. However, the success of a focus strategy relies on the firm's ability to continuously evaluate and adjust its offerings to meet the evolving needs of its niche market (Baker & Sinkula, 2005). Focus strategies can be especially effective in developing markets like the Kampala Metropolitan one, where diverse customer demands and a competitive landscape prevail. Firms that successfully implement focus strategies often realize higher profitability by capturing specific market segments that larger competitors may overlook (Valipour et al., 2012; Alkasim et al., 2018). Therefore, the researchers hypothesized:

Hypothesis 2: *Focus market strategy positively and significantly influences the performance of small manufacturing enterprises in Kampala Metropolitan.*

2.5 Differentiation Strategy and Firm Performance

Differentiation strategy allows firms to distinguish themselves in the marketplace by offering unique products or services at premium prices. Porter (1980) emphasized that differentiation helps firms to create brand loyalty, reduce price sensitivity, and enhance profitability. This approach is grounded in continuous innovation, investment in research and development, and robust marketing efforts (Porter, 1985). Differentiation can significantly enhance firm performance by fostering brand loyalty and reducing customer churn (Baker & Sinkula, 2005; Zahay & Griffin, 2010; Valipour et al., 2012). Kharub et al. (2018) revealed that firms implementing a differentiation strategy often outperform those relying solely on cost leadership, mainly when catering to quality-conscious customers. Valipour et al. (2012) note that such differentiation requires substantial investments in innovation and brand development, which can be challenging for smaller enterprises with limited resources. For SMEs, maintaining a distinctive market position often involves allocating significant funds to product development and marketing efforts, which may strain their financial capacities.

In this regard, strategic resource allocation and cultivating partnerships for technological advancement are crucial for achieving sustainable differentiation (Alkasim et al., 2018; Komakech et al., 2024). For SMEs, combining differentiation with customer-centric approaches can enhance product development and customer satisfaction, ultimately leading to increased sales and a more vital competitive positioning over the long term (Baker & Sinkula, 2005). Ge and Ding (2005) emphasize that firms must ensure their differentiated offerings remain relevant and adaptable to market changes to maintain competitive advantage. By continuously aligning products with evolving customer preferences and market dynamics, firms can sustain their unique positioning and avoid obsolescence, reinforcing their long-term competitiveness. Based on the above, the study hypothesized that:

> ***Hypothesis 3:*** *Differentiation strategy positively and significantly influences the performance of small manufacturing enterprises in Kampala Metropolitan.*

3.0 Methodology

The study employed a quantitative approach using cross-sectional research, commonly used in social science research, to assess relationships among variables at a single point in time (Creswell, 2003; Babbie, 2020). This design was particularly suited for investigating the impact of competitive strategies on firm performance, given the constraints of time and resources. It facilitated the collection of quantitative data from a significant sample. Data were gathered using structured questionnaires, a method effective for obtaining standardized responses from many participants (Bryman, 2016). The target population consisted of small manufacturing enterprises (SMEs) registered with the Uganda Manufacturers Association (UMA), a key representative body for the manufacturing sector in Uganda. Out of a total of 7,000 operational factories in the manufacturing sector in the country, 40 small manufacturing enterprises were purposefully selected from Kampala Metropolitan to represent the sector. To ensure a robust dataset, data were collected from multiple respondents within each enterprise, resulting in a total of 122 participants. The sampling approach combined simple random sampling and purposive sampling techniques. Simple random sampling was used to select operational, marketing, supply chain, and sales managers within the SMEs, ensuring each respondent had an equal chance of inclusion and that diverse functional perspectives were captured (Creswell & Creswell, 2017). Purposive sampling, on the other hand, targeted owners and managing directors, whose comprehensive understanding of strategic decision-making was critical for the study (Patton, 2015). On average, three respondents were selected per enterprise, providing a multi-dimensional view of each firm’s competitive strategies and performance.

The sample size of 122 respondents was determined using Krejcie and Morgan’s (1970) table, which is widely employed in research to ensure adequate representation. This multi-respondent approach aligns with best practices in organizational research, allowing for richer and more reliable insights by capturing diverse perspectives from different roles within the organization (Kumar, Stern, & Anderson, 1993; Huber & Power, 1985). The methodology ensured that the findings were not only representative of the selected SMEs but also provided a comprehensive understanding of how competitive strategies are implemented and perceived across organizational hierarchies.

The structured questionnaire comprised closed-ended questions measured on a five-point Likert scale to capture respondents' perceptions of competitive strategies (cost leadership, focus, and differentiation) and firm performance. Likert scales are beneficial for assessing perceptions regarding complex constructs and enable straightforward coding and statistical analysis (DeVellis, 2016). The data collected through the questionnaires were analysed utilizing SPSS (Statistical Package for Social Sciences) version 23. Data analysis was conducted using SPSS, where descriptive statistics, including frequencies and means, were computed to summarize the data. Inferential statistics were employed for hypothesis testing, specifically Pearson correlation and multiple regression analyses, to investigate the relationships between competitive strategies (independent variables) and firm performance (dependent variable). These methods are well-suited for examining correlations and causality in quantitative data (Bell & Bryman, 2007; Pallant, 2020). Bell and Bryman (2007) emphasize the importance of ethical rigour in research; therefore, throughout this study, ethical considerations were rigorously upheld, including obtaining informed consent from all participants, ensuring the confidentiality of responses, and maintaining the integrity of the research by adhering to established ethical standards. These practices ensured that the study met high moral standards and provided valid, reliable, and actionable insights into the impact of competitive strategies on the performance of small manufacturing enterprises in Kampala Metropolitan.

4.0 Results / Findings

4.1 Response Rate

The study distributed 122 questionnaires, of which 96 were returned fully completed, yielding a response rate of 76.7%. The questionnaire response rate was 88.5%, while the interview response rate was 38.9%. The overall response rate of 76.7% is considered excellent, based on Mugenda and Mugenda (2009), as cited by Komakech (2020), who noted that a response rate of 50% is adequate, 60% is good, and 70% or above is excellent for analysis and reporting.

4.2 Demographic Characteristics

The demographic characteristics of the respondents in this study offer valuable insights into the structure and context of the small manufacturing enterprises surveyed in Kampala Metropolitan. By analysing factors such as age, gender, job titles, education level, tenure within the firm, and the number of employees, this assessment helps establish a profile of the workforce engaged in decision-making for competitive strategy.

Table 4.1: Showing Demographics Summary

Respondents	Frequency	Percentage
Age		
20-29	27	28.1
30-39	56	58.3
40-49	8	8.3
50 & above	5	5.2
Total	***96***	*100.0*
Gender		
Male	53	55.2
Female	38	39.6
Total	***91***	*94.8*
Title		
Owners/ Directors	7	7.3
Operations Managers	29	30.2
Marketing Managers	35	36.5
Supply Chain Manager	11	11.5
Sales Managers	14	14.6
Total	***96***	*100.0*
Education Level		
Secondary Education	9	9.4
Diploma	18	18.8
Bachelor’s degree	43	44.8
Master’s degree	26	27.1
Total	***96***	***100.0***
Duration in Firm		
Less than 1 year	7	7.3
2-5 years	51	53.1
6-9 years	25	26.0
10 years & above	13	13.5
Total	***96***	***100.0***
No. of Employees		
Less than 5	17	17.7
5-49	79	82.3
Total	***96***	***100.0***

Source: Primary Data, March 2023

The age distribution indicates that most respondents (58.3%) fall within the 30-39 age range, followed by the 20-29 age group at 28.1%. This finding suggests that critical decision-makers and employees in Small Manufacturing Enterprises are predominantly younger, with over 86% of respondents under 40. The presence of younger employees may introduce fresh perspectives and greater adaptability to strategic planning, which could favour innovative or modern approaches within the SME sector. Conversely, the low representation of older respondents (aged 50 and above) at only 5.2% may reflect a deficiency of experienced professionals in these firms, potentially affecting the stability and depth of strategic insight in managing competitive strategies. In terms of gender distribution, there is a moderate male majority, with males comprising 55.2% of the sample compared to 39.6% for females. Although a gender disparity is evident, the substantial representation of females suggests a relatively balanced workforce within these SMEs. Nonetheless, the slight male dominance may point to traditional gender roles in management, which could influence strategy preferences or approaches within these organizations.

The distribution of job titles showcases a diverse range of roles, with the majority consisting of Marketing Managers (36.5%) and Operations Managers (30.2%). This suggests that marketing and operational positions play a significant role in shaping these firms' competitive strategies. The higher proportion of marketing managers emphasizes a strong focus on customer-oriented strategy, likely reflecting the adoption of differentiation and focus strategies as fundamental competitive approaches. Conversely, the relatively low percentage of Owners/Directors (7.3%) among the respondents may indicate a tendency to delegate strategic planning to specialized roles rather than relying on centralized leadership. This delegation may impact the cohesiveness and alignment of strategic initiatives across departments. Additionally, regarding educational backgrounds, the respondents are predominantly well-educated, with 44.8% holding Bachelor's degrees and 27.1% possessing Master's degrees. This high level of formal education can be advantageous in understanding and implementing complex competitive strategies. The presence of individuals with diplomas and secondary education primarily suggests a focus on operational or technical roles rather than on strategic decision-making.

The employment duration data reveals that most respondents (53.1%) have been with their current firms for 2-5 years, followed by 26% who have been with their companies for 6-9 years. This relatively short tenure may suggest a youthful and dynamic workforce characterized by the influx of new ideas. However, only 13.5% have been with their firms for over 10 years, which could indicate challenges in retaining long-term employees or a high turnover rate within the sector. Furthermore, the employee distribution suggests that most firms are small in scale, with 82.3% employing between 5 and 49 workers and 17.7% with fewer than five employees. This underscores the small size of these enterprises, which aligns with their classification as SMEs. While smaller firms may benefit from flexibility and quick decision-making, they may also encounter resource constraints that hinder the implementation of complex strategies like differentiation. Understanding these demographic factors is crucial for contextualizing the strategic choices made by these SMEs. It offers valuable insight into the competitive strategies that may be most viable and effective in this specific workforce and business landscape.

4.3 Relationship between Competitive Strategies (Cost Leadership, Focus, and Differentiation) and Firm Performance

Analysing the relationships between various competitive strategies (cost leadership, focus market strategy, and differentiation) and firm performance reveals distinct insights about the strategic approaches that most positively impact firm performance.

Table 4.2: Correlation Matrix for Cost Leadership, Focus, and Differentiation and Firm Performance

Correlations					
Variables		**Firm Performance**	**Cost Leadership Strategy**	**Focus Market Strategy**	**Differentiation Strategy**
Firm Performance	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	96			
Cost Leadership Strategy	Pearson Correlation	.734**	1		
	Sig. (2-tailed)	.000			
	N	96	96		
Focus Market Strategy	Pearson Correlation	.745**	.544**	1	
	Sig. (2-tailed)	.000	.000		
	N	96	96	96	
Differentiation Strategy	Pearson Correlation	.682**	.456**	.267*	1
	Sig. (2-tailed)	.000	.001	.030	
	N	96	96	96	96
**. Correlation is significant at the 0.01 level (2-tailed).					
*. Correlation is significant at the 0.05 level (2-tailed).					

Source: Primary Data, March 2023

The Pearson correlation coefficient reveals a strong positive relationship between cost leadership strategy and firm performance, with r = .734; $p < .001$, indicating statistical significance. Firms that adopt a cost leadership approach primarily by minimizing human resource and sales-related expenses tend to achieve enhanced financial and operational performance.

Among the three strategies analysed, the focus market strategy displays the highest correlation with firm performance, recorded at r = .745; $p < .001$, which confirms its statistical significance. This robust correlation suggests that companies emphasizing focus market strategies such as market segmentation, strategic marketing, customer feedback, and product quality are more likely to realize improved performance outcomes. By actively engaging with customer needs and targeting specific market segments, these organizations benefit from a customer-centric approach that fosters loyalty, responsiveness, and overall satisfaction.

Furthermore, the differentiation strategy shows a significant positive correlation with firm performance, as evidenced by r = .682; $p < .001$. Companies that implement differentiation strategies that highlight innovative marketing, exceptional customer service, skilled sales teams, and high product quality experience a positive impact on performance, albeit slightly less pronounced than the focus market or cost leadership strategies. This could be because the consumer may not be interested in the innovations but rather in a better price. This correlation indicates that differentiation through unique offerings and superior customer service effectively enhances customer loyalty and brand reputation, which are essential drivers of sustained business growth.

4.4 Overall Influence of Competitive Strategies on Firm Performance

A multiple regression analysis was conducted to determine how much cost leadership, focus, and differentiation strategies influence firm performance.

Table 4.3: Multiple Regression Results

Predictor Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.274	.280		0.978	.331
Cost leadership Strategy	.417	.151	.431	2.759	.007
Focus strategy	.457	.182	.489	2.509	.014
Differentiation Strategy	.030	.152	.017	0.199	.843
a. Dependent Variable: *Firm Performance*					
R = .771 R Square= .594	Adjusted R Square = .580	Adjusted R Square = .580	Std. Error of the Est. = .611	F Statistic = 42.405	Sig. = .000

Source: Primary Data, March 2023

The model was statistically significant ($R^2 = 0.594$, $F = 42.405$, $p < .05$), indicating that competitive strategies explain 59.4% of the variation in firm performance. Focus strategy had the most decisive influence ($\beta = .457$, $p < .05$), followed by cost leadership ($\beta = .417$, $p < .05$). In contrast, differentiation strategy was not significant ($\beta = .030$, $p > .05$). The findings confirm that competitive strategies significantly impact the performance of small manufacturing enterprises in Kampala Metropolitan. These results underscore the importance of strategic positioning in achieving business growth and sustainability.

5.0 Discussion

The findings emphasize the significant positive impact of the cost leadership strategy on firm performance, aligning with existing literature that highlights its effectiveness in enhancing profitability through improved operational efficiency and cost reduction (Valipour et al., 2012; Teeratansirikool et al., 2013; Kharub & Sharma, 2018). With a strong positive correlation ($r = .734$; $p < .001$). This strategy's focus on minimizing human resource and sales-related costs is consistent with Porter's (1980) framework, which positions cost efficiency as a vital competitive advantage. By underscoring the importance of resource optimization in emerging markets, this study challenges firms to adopt sustainable cost control measures while maintaining quality -- an essential balance emphasized in prior research as critical to preserving both cost efficiency and brand reputation (Zahay & Griffin, 2010). These findings underscore the practical significance of cost leadership in resource-constrained settings like Kampala metropolitan, where small manufacturing enterprises must navigate the challenge of achieving operational efficiency alongside competitive pricing.

The study reveals that the focus market strategy demonstrates the strongest correlation with firm performance, with a correlation coefficient of ($r = .745$; $p < .001$). This finding reaffirms previous research linking customer-centric approaches to enhanced performance through increased loyalty and responsiveness, as Baker and Sinkula (2005) and Ge and Ding (2005) highlighted. Furthermore, a notable regression coefficient ($\beta = .457$, $p < .05$) indicates that focus strategies centred on market segmentation and customized marketing efforts enable small manufacturing enterprises to target and capture niche markets effectively. This observation aligns with Porter's (1980) emphasis on specialization, illustrating that SMEs in emerging economies benefit significantly from strategies that specifically address unique customer needs. These findings contribute to the theoretical understanding by demonstrating that targeted customer engagement within specific market segments can lead to superior performance outcomes, particularly in developing economies.

In contrast, the differentiation strategy demonstrated a positive correlation ($r = .682$; $p < .001$), yet it was not statistically significant in predicting firm performance ($\beta = .030$, $p > .05$). This finding diverges from conventional Western-centric models, where differentiation is typically viewed as highly effective (Porter, 1980; Wernerfelt, 1984). These results suggest that resource-intensive differentiation efforts may hold less impact for small manufacturing enterprises in resource-constrained environments like Kampala, where market demand is often sensitive to price and firms lack the substantial investment necessary for sustained differentiation (Valipour et al., 2012). Consequently, the findings advocate for reassessing differentiation strategies in these contexts, highlighting the importance of practical, cost-effective differentiation rather than extensive investments in innovation. This challenges the notion of differentiation as a universally effective performance driver, underscoring the necessity for context-specific adaptations in strategic approaches.

The study's findings highlight that cost leadership and focus market strategies are particularly effective in enhancing the performance of small manufacturing enterprises in Kampala. This aligns well with the Resource-Based View (RBV), which underscores the importance of internal resources as key drivers of competitive advantage (Wernerfelt, 1984; Barney, 1991). The success associated with cost leadership illustrates how firms can utilize cost efficiencies to boost profitability, while the effectiveness of focus market strategies emphasizes the value of specialized customer knowledge and customized offerings, which help to foster customer loyalty (Alkasim et al., 2018; Baker & Sinkula, 2005; Teeratansirikool et al., 2013).

Conversely, the limited impact of differentiation strategies suggests that resource-constrained small manufacturing enterprises may face challenges in implementing unique product features without substantial financial and operational support, indicating the RBV's limitations in dynamic, resource-scarce settings. This perspective is further supported by the Dynamic Capabilities Theory (Teece et al., 1997; Eisenhardt & Martin, 2000), which highlights the need for firms to continuously adapt, innovate, and develop their capabilities to effectively respond to market changes. Small firms can set themselves apart from competitors by offering distinctive products or services, enhancing customer loyalty, and capturing a larger market share. Differentiation allows firms to create value through superior quality, innovative features, or exceptional customer service, ultimately driving performance.

5.1.0 Implications for Researchers and Practitioners

The section discusses theoretical advancements and practical applications of competitive strategies to improve the performance of small manufacturing enterprises.

5.1.1 Theoretical Implications

This study contributes significantly to the existing body of knowledge by empirically validating the relationship between competitive strategies and firm performance in the context of small manufacturing enterprises in Kampala Metropolitan. Applying the Resource-Based View, Institutional Theory, and Dynamic Capabilities Theory confirms that these theories are relevant to understanding how small firms can leverage internal resources, align with market expectations, and adapt to changing environments for sustainable competitive advantage. Specifically, the study reinforces RBV by showing that a cost leadership strategy enables small firms to achieve operational efficiency and cost savings, which are critical resources for sustaining competitive performance. Moreover, the study supports Institutional Theory by demonstrating that firms focusing on specific market segments can achieve legitimacy and improved performance. Dynamic Capabilities Theory is also validated, as differentiation strategies emphasizing innovation and adaptation enhance firm performance.

5.1.2 Practical/ Managerial Implications

From a practical perspective, this study provides valuable insights for managers and owners of small manufacturing enterprises, particularly in resource-constrained environments. The findings suggest that firms seeking to enhance performance should carefully implement cost leadership strategies by optimizing procurement processes, minimizing operational and human resource costs, and managing overheads efficiently. Additionally, the importance of focus strategies highlights that small firms can gain competitive advantage by targeting specific market segments and tailoring their products and services to meet customer needs, which drives customer satisfaction and loyalty. Finally, managers should also prioritize differentiation through innovation and customer service excellence, which can enable firms to charge premium prices, build brand loyalty, and maintain competitiveness in a crowded market. These strategies, if well-executed, can lead to long-term business growth and sustainability.

6.0 Conclusion

The findings of this study reveal that competitive strategies, namely cost leadership, focus strategy, and differentiation, play a critical role in influencing the performance of small manufacturing enterprises in Kampala Metropolitan. Cost leadership strategy significantly improved firm performance by enabling cost efficiency, which is vital for resource-constrained firms. This aligns with the RBV theory, which emphasizes the role of firm-specific resources in gaining a competitive edge. Small firms can offer competitively priced products and services by minimizing costs across production, human resources, and procurement, attracting a more extensive customer base and increasing profitability. The study also established that the focus strategy targeting specific market segments has a positive and significant effect on performance, as it allows small firms to tailor their offerings to the unique needs of particular customer groups. This strategy enhances customer satisfaction and loyalty, improving market share and sales growth. The findings are consistent with Institutional Theory, which suggests that firms gain legitimacy and performance benefits by aligning their strategies with market expectations.

Furthermore, the emphasis on customer feedback and research and development underscores the importance of innovation and customer-centric approaches in sustaining competitive advantage in small manufacturing enterprises. Finally, the differentiation strategy positively impacted performance by allowing firms to create unique products or services that stand out in the market. Firms can command premium prices and foster customer loyalty by offering distinct features, superior quality, or exceptional customer service. This conclusion supports the Dynamic Capabilities Theory, which emphasizes the importance of continuous adaptation and innovation in response to changing market conditions. Overall, the study underscores the importance of adopting well-structured competitive strategies for small manufacturing firms to enhance their competitiveness, profitability, and long-term sustainability

6.1 Study Limitations

One of the main limitations of this study is its geographical scope, as the research was conducted exclusively within Kampala Metropolitan, Uganda. While this context provides valuable insights into the competitive strategies of small manufacturing enterprises in this region, the findings may not be generalizable to other areas or countries where market dynamics, regulatory environments, and economic conditions may differ. Future studies could address this limitation by including a broader geographic scope to test the applicability of the findings across different contexts. Another limitation is the study's cross-sectional design, which captures data at a single point in time. This approach limits understanding of how competitive strategies and firm performance evolve. A longitudinal study could provide a more comprehensive understanding of how changes in competitive strategy influence performance in the long term, especially in enterprises where market conditions and consumer preferences are constantly changing. Finally, the study relied heavily on self-reported data from firm managers and employees through questionnaires. While this method helps gather firsthand insights, it is subject to potential biases, such as social desirability bias, where respondents might provide answers they believe are more favourable or expected. To mitigate this, future studies could triangulate self-reported data with objective performance metrics, such as financial statements, to ensure a more accurate representation of firm performance.

References

Alkasim, S. B., Hilman, H., Bohari, A. M. B., Abdullah, S. S., & Sallehddin, M. R. (2018). The mediating effect of cost leadership on the relationship between market penetration, market development, and firm performance. *Journal of Business and Retail Management Research, 12*(3).

Babbie, E. R. (2020). *The Practice of Social Research* (15th ed.). Wadsworth.

Baker, W. E., & Sinkula, J. M. (2005). Environmental marketing strategy and firm performance: Effects on new product performance and market share. *Journal of the academy of marketing* *science*, *33*(4), 461-475.

Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99-120.

Bell, E., & Bryman, A. (2007). The ethics of management research: an exploratory content analysis. *British journal of management*, *18*(1), 63-77.

Creswell, J. W., & Creswell, J. D. (2003). *Research design: Qualitative, quantitative, and mixed methods approaches* (2nd ed). SAGE Publications.

DeVellis, R. F. (2016). *Scale Development: Theory and Applications* (4th ed.). SAGE Publications.

DiMaggio, P. J., & Powell, W. W. (1983). The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields. *American sociological review*, *48*(2), 147160.

Eisenhardt, K. M., & Martin, J. A. (2000). Dynamic capabilities: what are they?. *Strategic management journal*, *21*(10-11), 1105-1121.

Flick, U. (2018). *An Introduction to Qualitative Research* (6th ed.). SAGE Publications.

Ge, G. L., & Ding, D. Z. (2005). Market orientation, competitive strategy and firm performance: an empirical study of Chinese firms. *Journal of Global Marketing*, *18*(3-4), 115-142.

Helfat, C. E., & Peteraf, M. A. (2015). Managerial cognitive capabilities and the microfoundations of dynamic capabilities. *Strategic management journal*, *36*(6), 831-850.

Helfat, C. E., Finkelstein, S., Mitchell, W., Peteraf, M., Singh, H., Teece, D., & Winter, S. G. (2006). *Dynamic capabilities: Understanding strategic change in organizations*. John Wiley & Sons.

Huber, G. P., & Power, D. J. (1985). Retrospective reports of strategic-level managers: Guidelines for increasing their accuracy. *Strategic management journal*, *6*(2), 171-180.

Kharub, M., Mor, R. S., & Sharma, R. (2018). The relationship between cost leadership competitive strategy and firm performance: A mediating role of qualitymanagement. *Journal of Manufacturing Technology Management*, *30*(6), 920-936.

Komakech, R. A. (2020). Contract Management and Service Delivery in Local Governments in Uganda. *International Journal Advances in Social Science and Humanities*, *8*(2), 1-23.

Komakech, R. A., Ombati, T. O., Kikwatha, R. W., & Wainaina, M. G. (2024). Resource-Based View Theory and its Applications in Supply Chain Management: A Systematic Literature Review. *Management Science Letters*, https://www.growingscience.com/msl/msl_2024_26.pdf

Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activities. *Educational and Psychological Measurement, 30*(3), 607-610.

Kumar, N., Stern, L. W., & Anderson, J. C. (1993). Conducting interorganizational research using key informants. *Academy of management journal*, *36*(6), 1633-1651.

Lechner, C., & Gudmundsson, S. V. (2014). Entrepreneurial orientation, firm strategy and small firm performance. *International Small Business Journal*, *32*(1), 36-60.

Mathiyazhagan, K., Sengupta, S., & Mathivathanan, D. (2019). Challenges for implementing green concept in sustainable manufacturing: a systematic review. *Opsearch*, *56*, 32-72.

The Ministry of Finance, Planning and Economic Development (MoFPED, 2024). *Background to the Budget FY 2024/2025*. Unpublished. Government of Uganda

Mugenda, O.M & Mugenda, A.G (1999). *Research methods: Qualitative and quantitative approaches.* ACTS Publishers, Nairobi, Kenya.

National Planning Authority (NPA). (2020). *Third National Development Plan (NDPIII) 2020/21-2024/25.* Kampala, Uganda. Available at: https://budget.finance.go.ug/sites/default/files/NDPIII.pdf

Pallant, J. (2020). *SPSS survival manual: A step by step guide to data analysis using IBM SPSS.* Routledge.

Patton, M. Q. (2015). *Qualitative Research & Evaluation Methods* (4th ed.). SAGE Publications.

Porter, M. E. (1985). Technology and competitive advantage. *Journal of business strategy*, *5*(3), 60-78.

Porter, M. E., (1980). *Competitive Strategy: Techniques for analyzing industries and competitors.* New York: Free, 1.

Scott, W. R. (2008). *Institutions and organizations: Ideas and interests*. SAGE Publications.

Soni, G., & Kodali, R. (2011). The strategic fit between "competitive strategy" and "supply chain strategy" in Indian manufacturing industry: an empirical approach. *Measuring business excellence*, *15*(2), 70-89.

Surono, S., Suryanto, T., & Anggraini, E. (2020). Comparing cost leadership strategy with differentiation strategy towards firm performance on Jakarta Islamic Index. *The winners*, *21*(1), 35-41.

Teece, D. J., Pisano, G., & Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic management journal*, *18*(7), 509-533.

Teeratansirikool, L., Siengthai, S., Badir, Y., & Charoenngam, C. (2013). Competitive strategies and firm performance: the mediating role of performance measurement. *International Journal of Productivity and Performance Management*, *62*(2), 168-184.

The Ministry of Finance, Planning and Economic Development (MoFPED, 2024). *Background to the Budget FY 2024/2025. Unpublished.* Government of Uganda.

Uganda Investment Authority. (2012). *SME policy*. Kampala: Ministry of Finance Planning and Economic Development.

Valipour, H., Birjandi, H., & Honarbakhsh, S. (2012). The effects of cost leadership strategy and product differentiation strategy on the performance of firms. *Journal of Asian Business Strategy*, *2*(1), 14-23.

World Bank, (2019). Small and Medium Enterprises (SMEs) Finance: Improving SMEs' access to finance and finding innovative solutions to unlock sources of capital. Available at: https://www.worldbank.org/en/topic/smefinance accessed on July 21, 2024

Zahay, D., & Griffin, A. (2010). Marketing strategy selection, marketing metrics, and firm performance. *Journal of Business & Industrial Marketing*, *25*(2), 84-93.

The Ugandan Journal of Management and Public Policy Studies (UJMPPS)
December 2024, Vol. 25, No. 1, pp. 42-64
ISSN: 2078-7049 (Print), 2959-4316 (Online)

Published by Uganda Management Institute

Strategic Planning Systems and Sustainable Urban Road Infrastructure Development among Town Councils in Uganda

Paul Wanume[1,2], Vincent Machuki[2], James Njihia[2] & Joseph Owino[2]

[1] School of Business and Management, Uganda Management Institute

[2] School of Business and Management, University of Nairobi

Corresponding e-mail: paulwanume@gmail.com

Article History

Received: August 10, 2024
Revised: October 20, 2024
Accepted: November 05, 2024

Abstract

This investigation aimed to explore whether strategic planning systems significantly influence the advancement of sustainable urban road infrastructure within Ugandan Town Councils. The strategic planning systems were delineated into six components: planning tools, planning resources, consideration of internal and external factors, resistance to planning, and functional coverage. Grounded in the socio-technical systems theory, the study adopted a positivist philosophical approach, employing a descriptive cross-sectional survey design. The target population is comprised of established Town Councils in eastern and central Uganda as of July 1, 2022. The results revealed a statistically significant positive correlation between strategic planning systems and sustainable urban road infrastructure development (R-value = 0.589, R-squared = 0.346, F statistic = 14.837, p < .001). Encouraging and enhancing the utilization of strategic planning resources and tools during the strategic management process could foster the development of sustainable urban road infrastructure. Further research encompassing diverse urban landscapes, varied performance metrics, and longitudinal designs could contribute to extending the generalizability of these findings.

Keywords: *Strategic planning systems, sustainable urban road infrastructure development, Town Councils, Uganda*

1.0 Introduction

Urban areas heavily depend on road infrastructure for essential connectivity across their landscapes. However, the development of this infrastructure often leads to negative environmental and social consequences, including pollution, congestion, and urban sprawl. As a response, there is a growing emphasis on sustainable urban road construction, aiming to align with community-wide sustainable development objectives (Junussova et al., 2023; Derrible, 2018). Within the domain of strategic management, Namada et al. (2017) underscores the pivotal role played by strategic planning systems and their profound impact on organizational performance. Extensive research has explored this relationship, with a particular focus on economic and financial perspectives. However, a notable gap exists in the literature, as there is a scarcity of studies delving into their direct influence on sustainable performance metrics. Furthermore, empirical examinations of these dynamics in the context of urban road infrastructure systems in developing nations like Uganda are conspicuously scarce. Nonetheless, incorporating sustainability into urban road infrastructure aligns with broader objectives of creating eco-conscious, economically viable, and socially equitable urban environments, ultimately enhancing the quality of life for both current and future generations.

Several scholars have reached a consensus regarding the fundamental nature of strategic planning systems (Biondi & Russo, 2022; Namada, 2020). These systems encompass a comprehensive array of managerial structures and processes that are integral to an organization's strategic initiatives. Situated at the core of firms, these systems provide the foundational framework that supports and strengthens the strategic planning process itself (Cohen et al., 2019). Within these systems, there are two key components: design and context-oriented elements (Namada et al., 2017). The design elements encompass various strategic planning techniques, considerations of both internal and external facets to the organization, and the integration of functional aspects. On the other hand, the contextual elements revolve around the planning context and include resources available for planning and the challenges posed by resistance to planning (Namada et al., 2017; Grynko & Yehorova, 2020).

Sustainable infrastructure development (SID) encompasses various definitions, but this study aligns with Ametepey et al. (2020). They define it as planning, constructing, operating, and maintaining road infrastructure while balancing societal, economic, and environmental concerns, emphasizing social justice, diversity, and ecological functioning. This definition underscores the pivotal role of road infrastructure in society, the economy, and the environment, which are fundamental aspects of sustainability. Scholarly discourse reflects extensive research on sustainability constructs employed to assess sustainable urban road infrastructure implementation (Badford, 2018; Friedrich, 2015). Suprayoga et al. (2020) posit that sustainable road infrastructure development encompasses socio-ecological integrity, resource efficiency, livelihood security, climate change resilience, and adaptation features. Socio-ecological integrity involves indicators like species habitat mitigation, land use management, and pollution prevention during road development (Flores et al., 2016). Livelihood security entails mobility enhancement, community well-being (Marzouk, et al., 2017), and societal equity (Salling & Pryn, 2015). Resource efficiency centres on road infrastructure that supports sustainable livelihoods while reducing environmental impact (Suprayoga et al., 2020). Climate change resilience involves infrastructures designed to withstand shocks and unforeseen events (Joumard & Nicolas, 2010). This discourse underscores the multifaceted aspects assessed for sustainable road infrastructure.

Town councils in Uganda, exhibit hallmark traits of urbanization, characterized by dense populations and diverse economic activities which has led to increased vehicle ownership, resulting in traffic congestion, inadequate road networks, and environmental degradation (Uganda Bureau of Statistics, 2020; Ministry of Works and Transport, 2020). The pressing challenge of unsustainable road infrastructure and demand for increased road infrastructure looms large in these towns. As Uganda endeavours to enhance its urban road systems, understanding the impact of strategic planning systems becomes pivotal in devising informed policies and guiding infrastructure investments. Hence, this article presents a research inquiry into the relationship between strategic planning systems and the development of sustainable urban road infrastructure within Ugandan Town councils. The article commences by setting the stage with a thorough contextual background and gradually narrows down to highlight the existing gap in knowledge. It subsequently presents a theoretical framework, elucidates the research methods employed, delves into the obtained results and subsequent discussion, outlines the implications of the findings, concludes, and acknowledges the inherent limitations of the study.

1.1 Statement of the problem

The development of sustainable urban road infrastructure is widely recognized as a vital facet of contemporary urban planning practices, driven by the urgent need to address the multifaceted challenges posed by unsustainable urban road infrastructure. These challenges encompass adverse impacts on public health, environmental degradation, and economic inefficiencies, all extensively documented in the literature (Liang et al., 2020; Khanani, et al., 2020). In light of these far-reaching consequences, urban policymakers and planners are compelled to adopt a forward-thinking perspective that prioritizes sustainability as the cornerstone of their decision-making processes.

Strategic planning systems (SPS) emerge as indispensable tools in the arsenal of urban authorities engaged in transportation infrastructure development. These systems hold the promise of ushering in sustainable and efficient transportation networks, mitigating carbon emissions, and bolstering resilience against the impacts of climate change. While some existing research has explored the link between strategic planning and sustainable road development (Banister & Hickman, 2013; Luyimbazi & Ntwatwa, 2022), a comprehensive understanding of the relationship between strategic planning systems and sustainable road development remains limited. This knowledge gap has resulted in uncertainties regarding how strategic planning systems interact with the objectives of sustainable road infrastructure development. Furthermore, a substantial portion of research in this domain has been fixated on economic and financial outcomes, often relegating broader sustainability considerations to the periphery.

Within the domain of strategic planning systems (SPS), research has put forth the notion that discrete elements within these systems exhibit distinct degrees of influence on the efficacy of planning processes (Desmidt & Meyfroodt, 2018); Esfahani et al., 2018). This intriguing revelation has ignited a strong interest in exploring the intricate mechanisms through which these individual elements influence the ultimate outcomes of planning endeavours. Building upon this interest, studies have extended their focus to apply these specific SPS elements in the domain of sustainable road development (Lee et al., 2018; George et al., 2019; Helmrich & Chester, 2022). This diversity in outcomes underscores the more nuanced and holistic understanding of how these SPS elements collectively shape the effectiveness of planning processes in the domain of sustainable urban road infrastructure development.

Investing in sustainable road infrastructure is not only essential for economic growth but also a strategic imperative for developing nations (Saidi et al., 2018; Wang et al., 2020). In Uganda, urban road networks serve as lifelines for transportation, accommodating the needs of over 70% of people and goods movement, with substantial financial investments channelled into urban road projects (Ministry of Finance, Planning and Economic Development, 2021). Uganda's Strategic Implementation Plan (2015-2025) underscores the priority accorded to urban road infrastructure, recognizing that 70% of non-agricultural GDP originates from urban areas. Nevertheless, disparities persist in the sustainable development of road infrastructure among Town Councils, despite their statutory obligation, as stipulated in the Local Governments Act, to implement urban road infrastructure projects (Government of Uganda, 2017).

While we recognize the vital significance of sustainable urban road infrastructure development, persistent uncertainties surround the comprehensive and multidimensional effects of strategic planning systems on its achievement. Therefore, the central research question that guided this study was: "What is the influence of strategic planning systems on the realization of sustainable urban road development among Town Councils in Uganda?"

1.2 Research objective

The research objective was to determine the influence of strategic planning systems (strategic planning tools, planning resources, internal and external orientation, organizational resistance to change, and functional coverage in planning) on sustainable urban road development among Town Councils in Uganda.

2.0 Literature review

This study was anchored in the socio-technical systems theory (Carden et al., 2017), which serves as the theoretical foundation for our study. The Sociotechnical Systems (STS) theory posits that organizations are complex entities comprising technical and social subsystems intricately connected to their external environment. The complex equilibrium between these subsystems must be maintained in order to optimize and satisfy external expectations (Mendoza-Moheno et al., 2021). In this framework, the technical subsystem encompasses the tools, techniques, and processes that transform inputs into outputs, thereby shaping the organizational configuration. It is within this technical system that Strategic Planning Systems (SPS) operate, with the aim of enhancing planning processes. Conversely, the social system revolves around stakeholders and the human aspects of the organization (Bednar & Welch, 2020). Urban road infrastructures, especially, are deeply embedded within the social fabric, as their networks span across geographical boundaries and wield substantial influence over human behaviour and societal interactions.

In the context of our investigation, the socio-technical systems theory provides a valuable framework that enables us to examine how various components of road infrastructure interact to impact an organization's sustainability outcomes concerning its external environment. This approach places a strong emphasis on the system-level perspective of road infrastructure development, highlighting its inherently socio-technical nature. Moreover, it recognizes the interdependence of these subsystems while acknowledging the context-specific nature of their development. Ultimately, the alignment of these subsystems emerges as pivotal for the effective design and development of infrastructure. Through a literature review, we explore how individual elements of strategic planning systems influence the development of sustainable road infrastructure.

2.1 Planning resources

Effective utilization of an organization's resources and capabilities stands as a cornerstone for achieving and maintaining strategic performance (Namada et al., 2017; Nwachukwu & Chládková, 2019). The existing research presents a varied landscape when attempting to explore this connection for sustainable performance indicators, particularly in the context of urban road development. For instance, Ametepey et al. (2020) examined sustainable road infrastructure projects in developing nations, revealing that resource utilization and management distinctly predict project sustainability. This insight aligns with Xue et al.'s (2018) work, affirming the significant role of resource allocation in shaping project outcomes. Meng et al. (2015) contribute to this facet of the discussion by finding a positive correlation between the intellectual, managerial, emotional, and social competences of top managers and the sustainability of infrastructure. Their study underscores the pivotal role played by multifaceted managerial competences in fostering infrastructure sustainability. Furthermore, Gan et al.(2015) undertook an in-depth inquiry into the barriers impeding the progress of sustainable construction practices. Among the identified impediments, resource-related risks stood out as significant deterrents.

The aforementioned studies shed a spotlight on the importance of resource allocation in organizational performance and project sustainability, but a noticeable gap remains in understanding the intricate relationship between strategic planning resources as a component of SPS and the development of sustainable urban road infrastructure.

.

2.2 Strategic planning tools

Within strategic planning, diverse tools have assessed alternative actions providing structured decision frameworks linking history with future goals, enhancing analytical prowess (Dias et al., 2018). Firms leverage these tools for competitive edge (Helmrich & Chester, 2020), converting data into choices (Aldehayyat & Khattab, 2011). They offer environmental awareness, risk mitigation, and priority establishment. Studies on the influence of strategic analytical tools on sustainable transport infrastructure reveal varying outcomes. Hadjidemetriou et al. (2021) applied Dynamic Adaptive Policy Pathways, effective for flood-risk planning, to long-term transport planning. They identified capacity vulnerabilities and mode-switching impacts between Manchester and London. Ruiz and Guevara (2020) used a hybrid SD and AHP approach to analyse sustainable road maintenance strategies in Colombia, highlighting their impact on economic decisions. Martens (2006) found that cost-benefit analysis and transport modelling promote sustainable transport. Conversely, earlier research noted a negative link between traditional strategic planning tools and sustainable urban road infrastructure (Blackmore et al., 2018; Saurí & Serra, 2010). These tools prioritize efficiency over sustainability, hindering progress. Amidst conflicting findings, do strategic planning tools influence sustainable urban road development in Uganda?

2.3 Internal and external orientation

Effective strategic planning hinges on a thorough assessment of internal capabilities (George et al., 2019), past performance (Meissner, 2014), and failures, ensuring alignment with organizational capacities. Neglecting these aspects risks plan failure. Similarly, acknowledging external factors is crucial; recognizing opportunities and threats is vital (Tykkyläinen, 2019). Scholarly works on environmental scanning highlights scrutinizing external events and trends, as a pivotal step in formulating and evaluating strategic alternatives. This study underscores the dual significance of internal and external considerations in planning for sustainable road infrastructure development. Ruiz and Guevara (2020) demonstrated the substantial impact of internal orientation on decision-making about maintenance policies within road preservation. In a study by Hatefi (2018), SWOT analysis examined the interplay of internal and external elements on strategic planning for Iran's urban transportation. This integration empowered managers and urban planners to identify crucial strategies for responsive transportation infrastructure development, catering to the growing city population.

2.4 Organizational Resistance to Planning

In the realm of organizational activity implementation, it is paramount to anticipate and proactively address resistance for a successful outcome (Agasisti et al., 2018). However, when confronted with unfavourable contexts characterized by significant planning resistance, the success of strategic planning initiatives becomes compromised. These challenging situations can trigger dysfunctional managerial behaviours, including the rejection of planning outputs and the exclusion of line managers (Lorange, 1980). Essentially, the effectiveness of strategic planning hinges on its integration as a core organizational activity. Consequently, any resistance that emerges can have a detrimental impact on the overall utility and effectiveness of the planning systems. It is, therefore, imperative to recognize and address resistance as an integral part of the strategic planning process to ensure its successful implementation and outcomes.

Undertaking a study examining the influence of resistance to planning on sustainable road development is imperative given the existing research landscape. Although there is no direct exploration of the link between planning resistance and sustainable urban road infrastructure, existing studies emphasize the pivotal role of stakeholder engagement and participation of the community in the planning and development process (Jayasuriya et al., 2020; Osman et al., 2018). It has been demonstrated that this involvement fosters a sense of ownership and collaboration among many stakeholders, which lowers opposition to planning (Späth & Scolobig, 2017).

Ametepey et al. (2020) exemplify this by revealing that effective stakeholder management positively helped plan and implement sustainable road infrastructure projects in poor countries. Their findings underscore the pivotal importance of engagement in mitigating resistance. Additionally, Cheng and Zheng (2017) emphasize the significance of collaboration through their exploration of China's sustainable transportation policy implementation. Their research exposed barriers such as weak political will, funding constraints, inadequate engagement, and a lack of agency coordination.

In this context, studying the correlation between resistance to planning and sustainable road development is crucial. It allows us to delve into unexplored terrain, revealing how resistance hampers the achievement of efficient and eco-friendly road networks. By building on the lessons from stakeholder engagement and collaboration, does resistance to planning influence sustainable urban road infrastructure development in Uganda?

2.5 Functional Coverage in Planning

In the discourse of strategy development, emphasis is often placed on integrating functional areas to formulate an internally coherent plan (Nadikattu, 2020). Through prioritizing different key functional domains, the planning system can potentially enhance its capacity to leverage the organization's vital strengths.

Functional coverage signifies collaborative efforts among different departments to enhance public value and address, encompassing coordination, partnership, conflict resolution, and cooperation (Agranoff, 2007). In dynamic public services, functional coverage has evolved into a crucial agency practice (Wipulanusat et al., 2021). This practice yields diverse benefits that align with public policy objectives. Collaborative networks tap into organizational resources, enabling joint efforts to surmount budgetary constraints. Moreover, functional coverage facilitates risk-sharing, especially pertinent in high-risk projects like road construction (Beiler, 2016). The impact of inter-departmental synergy holds substantial potential for public organizations, albeit more transformative than in less bureaucratic private counterparts (Lee, 2019; Lee et al., 2018).

The interplay between functional coverage and the development of sustainable road infrastructure warrants careful consideration. While a direct exploration of their correlation is inadequate, insights from existing studies provide a foundation for discussing the need for further investigation. The critical role played by inter-departmental collaboration in planning and development emerges from studies such as Jayasuriya et al. (2020) and Osman et al. (2018). They emphasize the value of engaging diverse functions to mitigate resistance and foster ownership. This underscores the potential of functional coverage to break down barriers and drive cohesive efforts.

Broader implications from functional coverage extend to organizational efficacy, enhancing overall performance (Liu & Zheng, 2018). The experience of Margerum and Parker (2019) with collaborative networks in Oregon's transportation planning underscores how cooperative approaches address interjurisdictional challenges, enhancing agencies' performance. This echoes the notion that functional coverage can streamline processes and yield tangible improvements.

Though not centred on internal departments, a study by Beiler (2016) on multi-jurisdictional collaboration in Pennsylvania's transportation planning sheds light on the positive impacts of measuring and monitoring agency collaboration. This contributes to more sustainable organizational planning, emphasizing the significance of collaboration in transportation initiatives.

Moreover, Pojani and Stead's (2017) study on collaborative networks in sustainable transportation planning takes a comprehensive approach, encompassing interdisciplinary cooperation across Australia, Canada, and the US. Their research highlights the pivotal nature of interdisciplinary collaboration in achieving sustainable transportation goals. This resonates with the idea that collaborative network among functions plays a key role in shaping the execution and realization of sustainable road projects.

In the light of these perspectives, the need for a study investigating the influence of functional coverage on the development of sustainable road infrastructure becomes evident. This research could offer deeper insights into how cross-departmental collaborations impact planning, execution, and overall success. By delving into the intricacies of functional coverage's role, such a study could guide practices that promote efficient, collaborative, and sustainable road projects.

3.0 Methods

Grounded in positivist philosophy, this study emphasizes theory-driven research, aiming to empirically test and establish concrete connections between variables (Cooper & Schindler, 2006; 2014). Positivism ensures objective measurement, sidestepping subjective inference (Creswell, 2012), contributing to theory advancement and empirical scrutiny (Saunders et al., 2007). The investigation used a descriptive cross-sectional survey design to gather data from Town Councils in eastern and central Uganda, examining variable associations within that specific timeframe (Cooper & Schindler, 2006). This led to conclusive insights and recommendations.

Focused on a sample of 186 Town Councils selected from a total population of 244 Town Councils in eastern and central Uganda, the study used a questionnaire to gather primary data on strategic planning systems and sustainable urban road infrastructure from one member of the Technical Planning Committee (Town Clerk, Town Engineer, Planner, or Environment Officer). Utilizing the "drop and pick later" method, the collected questionnaires underwent subsequent analysis. Assessing responses and attitudes, the study computed mean, standard deviation, and one-sample t-tests. Mean reflects centrality, while standard deviation gauges variability (Sekaran & Bougie, 2014; Pallant, 2013).

To gauge respondents' attitudes on study variables, a Likert scale was chosen, known for capturing nuanced opinions (Cooper & Schindler, 2014). With a 5-point range from "Strongly Disagree" to "Strongly Agree," it facilitated agreement differentiation. Thoughtfully crafted items assessed dimensions, while a neutral midpoint allowed neutrality. Clear instructions aided scale interpretation, ensuring systematic measurement. The instrument demonstrated reliability with Cronbach alpha values ranging from 0.720 to 0.939 for elements of strategic planning systems and from 0.797 to 0.886 for elements of sustainable road infrastructure development. A response rate of 94% was achieved. Diagnostic tests were conducted on normality, linearity, multicollinearity, and homoscedasticity, all confirming the dataset's suitability for further empirical analysis. Regression analysis was then employed to examine how strategic planning systems affect sustainable urban road infrastructure development among Town councils in Uganda.

The overarching model for predicting sustainable urban road development is depicted as follows:

Y = f (Strategic Planning Systems (SPS))

$$Y = \beta_0+\beta_1X_1+\beta_2X_2+\beta_3X_3+\beta_4X_4+\beta_5X_5+\beta_6X_6+\varepsilon$$

Where:

Y – Sustainable Road Infrastructure Development (SRID),
X_1 – Strategic planning techniques,
X_2 – Planning resources,
X_3 – consideration of external facets,
X_4 – internal facets,
X_5 - Resistance to planning,
X_6 – Functional coverage

4.0 Results

The results about strategic planning resources indicate a mean range of 2.83 to 3.04. Most t-values exhibited significance at the 95% confidence level, and coefficients of variation (CV) spanned from 21% to 29%. These outcomes collectively suggest that within Town Councils, the utilization of planning resources to advance sustainable urban road infrastructure manifests to a moderate extent. Resistance to planning exhibits mean values between 3.05 and 3.26. Most t-values are significant at 95% confidence, and CV ranges from 18.6% to 22.8%. This denotes moderate resistance to planning for sustainable road infrastructure, with lower CV suggesting reduced response variability.

The findings for considering internal facets reveal mean values spanning 2.59 to 3.29. With significant t-values at 95% confidence and CV between 29.3% and 34.8%, this indicates a moderate level of dispersion around the mean. This reflects varying opinions and perceptions among Town Councils concerning integrating internal facets in sustainable urban road infrastructure development. When considering external facets, mean values ranged from 2.93 to 3.07. No t-values were significant at 95% confidence, and CV ranged from 25.2% to 28.5%. This suggests moderate extent of considering external facets in sustainable urban road development among Town councils. CV values of 29.3% to 34.8% show moderate dispersion around the mean, reflecting diverse opinions among Town Councils on integrating external facets in sustainable road infrastructure development.

Utilization of strategic planning tools demonstrates mean values from 2.69 to 2.94. Most t-values are significant at the 95% confidence level, and CV ranges from 21.4% to 28.1%. This suggests moderate use of strategic planning tools/techniques in sustainable urban road infrastructure development across Town Councils. Lower CV values indicate comparatively less response variability regarding using strategic planning tools in sustainable road infrastructure development.

Focusing on all functions yields mean values spanning from 2.82 to 2.98. Most t-values are significant at the 95% confidence level, and CV ranges between 19.5% and 24.6%. This implies that functional coverage extent in sustainable urban road infrastructure across Town Councils is moderately established. Lower CV values indicate relatively reduced response variability concerning functional coverage in sustainable road infrastructure development. The effect of the composite index of strategic planning systems on sustainable urban road infrastructure development was determined. Multiple linear regression analysis was used to test the hypothesis, and the results are presented in Table 1.

Table 1: Model Summary of Strategic Planning Systems and Sustainable Urban Road Infrastructure

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.589[a]	.346	.323	.29550

a. Predictors: (Constant), Consideration of external facets, Functional coverage & integration, Consideration of internal facets, Resistance to planning, Use of planning techniques, Planning resources

b. Dependent Variable: Sustainable Urban Road Infrastructure Development

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.773	6	1.296	14.837	.000[b]
	Residual	14.669	168	.087		
	Total	22.443	174			

a. Dependent Variable: Sustainable Urban Road Infrastructure Development

b. Predictors: (Constant), Consideration of external facets, Functional coverage & integration, Consideration of internal facets, Resistance to planning, Use of planning techniques, Planning resources

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.996	.157		12.746	.000
	Planning resources	.195	.062	.331	3.113	.002
	Resistance to planning	-.001	.063	-.002	-.023	.982
	Consideration of internal facets	-.003	.039	-.006	-.077	.939
	Use of planning techniques	.125	.056	.205	2.225	.027
	Functional coverage & integration	.051	.051	.076	.997	.320
	Consideration of external facets	.070	.039	.127	1.786	.076

a. Dependent Variable: Sustainable Urban Road Infrastructure Development

Source: Primary Data (2023)

In Table 1, the results reveal an R-value of 0.589, indicating the correlation between the combined elements assessing strategic planning systems and sustainable urban road infrastructure development. This suggests a moderate and positive relationship within Ugandan Town Councils. Improved strategic planning systems correspond to enhanced sustainable urban road infrastructure development. The R-squared value of 0.346 signifies that 34.6% of the variability in sustainable urban road infrastructure development among Town Councils in Uganda is explained by strategic planning systems.

The ANOVA also in Table 1 shows the results of a significance test for R and R^2 using the F statistic. The F statistic of 14.837 with a p-value well below .05 ($p < .001$) indicates that the regression model is significant. These results are further used to test for the null and alternative hypotheses using the value in the Sig column. The results show that the value in the Sig column is very small (less than 0.05), thus the null hypothesis is rejected. Thus, strategic planning systems significantly influence the development of sustainable urban road infrastructure among Town Councils in Uganda.

The coefficients of the components used to measure strategic planning systems are presented in Table 1. The study found out that the coefficients of some of the components are statistically significant at 0.05 significance. These include planning resources (β=.195, t=3.113, *p*=.002) and use of planning techniques (β=.125, t=2.225, *p*=.027). However, some components are not statistically significant which include consideration of internal facets (β=-0.003, t=-0.077, *p*=.939), resistance to planning (β=-0.001, t=-0.023, *p*=.982), consideration of external facets (β=.070, t=1.786, *p*=.076) and functional coverage (β=0.051, t=.997, *p*=.320).

Thus, the following model:

SRID = 1.996 + .195 PR +.125 PT + .29550

Where

SRID	-	Sustainable Urban Road Infrastructure Development
PR	-	Planning resources
PT	-	Use of planning techniques
0 = 1.996	-	Constant in Table 4.15

The error term = .29550 (from Table 1 - Std. Error of the Estimate)

The model indicates that with constant explanatory variables, Sustainable Urban Road Infrastructure Development in Town Councils totals 2.2915 (1.996 + 0.29550). Moreover, each additional unit change in strategic planning systems contributes to a 0.6155 increase (0.195 PR + 0.125 PT + 0.29550) in sustainable urban road infrastructure development. Therefore, strategic planning systems significantly impact development in these councils. Notably, only strategic planning resources and tools were statistically significant indicators of strategic planning systems affecting sustainable urban road infrastructure development in eastern and central Uganda's Town Councils.

5.0 Discussion

The variation of sustainable urban road infrastructure development in this study was predicted by six organizational strategic planning systems sub-variables that included strategic planning tools, planning resources, consideration of both external and internal facets, resistance to planning and functional coverage. Strategic planning systems were found to significantly influence the development of sustainable urban road infrastructure (R = .589, R^2 = .349, F

= 14.837, p = 0.000). This study then determined the influence of each of the dimensions of strategic planning systems on sustainable urban infrastructure development. The dimensions of strategic planning systems with significant influence were planning resources (β=.195, t=3.113, p=.002) and use of planning techniques (β=.125, t=2.225, p=.027).

Surprisingly, consideration of internal and external facets, resistance to planning and functional coverage were found to have a weak and insignificant influence despite their importance in strategic management literature to influence strategic planning effectiveness (Elbanna, Andrews, & Pollanen, 2015; Venkatraman & Ramanujam, 1985). The finding that these factors have a weak and insignificant influence on strategic planning effectiveness raises questions about the actual practice of strategic planning within Town Councils. The fact that the majority of respondents had less than 5 years of experience in that particular urbanity might have implications on their understanding and involvement in the strategic planning process. Strategic planning is often a complex and dynamic activity that benefits from experienced individuals who have a deeper understanding of the organization’s history, capabilities, and external environment (Posch & Garaus, 2019; Ugboro et al., 2011). With limited experience, the respondents may have faced challenges in comprehensively assessing and integrating internal and external factors.

Besides, several studies emphasize the importance of incorporating various functional aspects to enhance the planning system’s ability to utilize critical resources and avoid resistance to planning (Camillus & Venkatraman, 1984; Grant & King, 1982; Lorange, 1980). The fact that the majority of Town Councils were less than 5 years since they were established could also play a role in the weak influence of resistance to planning. Organizations in their nascent stages tend to possess a greater degree of flexibility and adaptability (Lumpkin & Dess, 1996), and resistance might not have had sufficient time to manifest or become apparent. Additionally, during the early stages of establishment, the focus might be on other foundational aspects of the organization, leading to less emphasis on strategic planning and potential resistance.

The surprising nature of the perceived insignificance regarding internal and external considerations in the development of sustainable urban road infrastructure contrasts with its established importance in strategic management (Hyder et al., 2015; Malik, et al., 2013). This apparent contradiction could potentially be elucidated by the prevailing circumstances within urban local authorities in Uganda, where budget constraints are an outstanding challenge (Mushemeza, 2019). Notably, financial resources have been identified as factors that significantly influence both internal and external strategic analyses (Nwachukwu & Chládková, 2019). In this context, the allocation and availability of financial resources could play a pivotal role in shaping the extent to which internal and external considerations are taken into account during the planning and development of sustainable urban road infrastructure.

5.1 Strategic planning tools

According to Kalkan and Bozkurt (2013), strategic planning tools encompass a comprehensive spectrum of concepts, practices, and approaches that stimulate strategic thinking, decision-making, and the execution of strategies within organizations. There is a consensus that these tools empower managers to shape and execute strategic decisions, influencing organizational outcomes (Ramanujam & Venkatraman, 1987). Grant and King (1979), Hofer and Schendel (1978), Fleisher and Bensoussan (2003) posit that strategic planning tools play a pivotal role within formalized strategy formulation methods, offering a platform to deliberate and assess myriad options, ultimately leading to superior decision-making. Consequently, the selection of strategic planning tools in this study is predicated on the notion that they serve as a significant indicator of planning practices geared towards achieving sustainable outcomes in the realm of urban road infrastructure development.

Findings from this study indicate that not all Town Councils use strategic planning tools in spite of the fact that their use enables organizations to assess and predict organizational sustainability outcomes. Given the growing call for sustainable development, mainly for infrastructure projects, strategic planning tools are essential for such projects to guarantee the realization of sustainability goals while improving project outcomes. In this study, it was found out that the use of strategic planning tools contributed significantly to the development of sustainable urban road infrastructure (ß = 0.125, $p = 0.027$). The inference that can be readily drawn is that the planning and development of sustainable urban road infrastructure is automatically improved by using strategic planning tools/techniques. These findings are partially supported by earlier studies.

For example, Hadjidemetriou et al. (2021) explored whether strategic planning tools such as Dynamic Adaptive Policy Pathways, a tool used in long-term transport infrastructure planning had an influence on sustainable road and rail infrastructure development in Manchester and London in the UK. The study demonstrated that this tool had a positive influence in identifying periods of significant capacity vulnerability in the coming decade, as well as the points in time when policy-makers would have to make decisions and assess the impact of transport mode switching. Ruiz and Guevara (2020) also investigated the influence of planning tools using a hybrid methodology that combines the system dynamics (SD) and analytic hierarchical process (AHP) approaches for analysing sustainable road maintenance strategies in Colombia. The findings revealed that the decision-making process concerning sustainable maintenance policies was significantly influenced by the two tools employed. Similarly, studies by Blackmore et al. (2018), Martens (2006), and Chung et al. (2016) explored the influence of scenario planning and cost-benefit analysis on sustainable transport infrastructure development. From these studies, there is consensus that for transport modelling, the principle of need and cost-benefit analysis are effective tools for promoting effective design of a sustainable road network.

This study’s findings contrast with previous research by Blackmore et al. (2018) and Saurí and Serra (2010). Blackmore et al. identified a negative link between traditional strategic planning tools, like cost-benefit analysis and traffic models, and sustainable urban road infrastructure development. They argued that these tools prioritize motorized traffic and economic efficiency, potentially hindering sustainability. Similarly, Saurí and Serra found a negative relationship, with traditional tools focusing on road network expansion and traffic flow rather than promoting public transport, cycling, and walking, which could impede sustainable urban road infrastructure development.

The findings from this study make modest contributions to the body of research literature on strategic planning tools. Socio-technical systems theory emphasizes the importance of understanding the complex interactions between social and technical factors in shaping technological systems, including roads and other infrastructure (Emery & Trist, 1960). By using strategic planning tools to identify and analyse these interactions, planners can develop road development strategies that are more likely to be socially and environmentally sustainable in the long term. This can contribute to the development of more resilient and adaptive socio-technical systems that are better able to meet the needs of communities and the environment.

5.2 Planning resources

Strategic planning resources refer to the tangible and intangible assets that organizations use to create and execute strategies that help them achieve their goals. These resources include financial, physical, human, and technological resources, as well as intangible resources such as intellectual property, reputation, and culture. Empirical studies have found that effective strategic planning requires organizations to identify and prioritize their resources, and allocate them in a way that maximizes their impact in achieving the organization's goals (Gonzalez & Gomez-Mejia, 2014). Additionally, empirical research suggests that organizations with strong strategic planning capabilities tend to have a more comprehensive understanding of their resource needs, and are better able to align their resource allocation decisions with their strategic goals (Chen & Lin, 2012).

In this study, it is assumed that Town Councils that upheld the strategic configuration of planning resources have the opportunity of realizing higher sustainability outcomes in their road development projects. This study established that it is significant to acquire the assurance of organizational managers and guarantee an applicable level of apportionment of planning resources. The inference drawn is that achieving sustainable urban roads necessitates a substantial infusion of planning resources. This entails not only an increase in the allocation of managerial personnel for planning, designing, constructing, operating, and maintaining sustainable roads but also greater involvement from technical department heads and top management. Management's involvement in sustainability management of the organization is one of the key success factors for sustainable development of an organization. Managers not only provide resources and design incentives for employees to promote sustainability initiatives but also strongly influence organizational culture and organization-wide decision-making processes through their commitment and leadership. Active engagement of management in the sustainability management of an organization stands as a pivotal success factor in its sustainable development. Managers assume a multifaceted role wherein they not only allocate resources and establish incentives to encourage employee-driven sustainability initiatives but also wield considerable influence over organizational culture and the decision-making processes that span across the entire organization, all through their dedicated commitment and effective leadership (Elbanna, 2008).

Despite numerous research studies aimed at clarifying the connection between strategic planning resources and organizational outcomes, the outcomes of this collective body of research have remained fragmented and lacking a cohesive framework (Ramanujam et al., 1986; Ketokivi & Gastner, 2004), and limited results have yet emerged in the area of sustainable road development. The findings of this study hold significant implications for strategic planning literature, which has thus far struggled to establish a clear positive correlation between strategic planning resources and the ensuing sustainability outcomes in the context of road infrastructure development.

For instance, Girma et al. (2019) evaluated urban green infrastructure planning in Ethiopia's Oromia special zone. Their mixed-method study revealed the need for budget allocation and stakeholder engagement to effectively implement green space planning practices according to urban green infrastructure principles. Ketokivi and Gastner (2004) previously emphasized that management participation in strategic planning sparks commitment to tools used in the process.

The positive influence of planning resources on sustainable urban road infrastructure development found in this study supports the institutional theory, which highlights the importance of institutional factors in shaping sustainable development outcomes (Weber, 1978). Institutions such as Central Government agencies (Ministry of Works, Uganda National Road Authority) and community groups play an important role in shaping the behaviour of Town Council planners, engineers, and other stakeholders involved in urban road infrastructure planning and implementation. By providing planning resources such as funding, technical expertise, and regulatory guidelines, these institutions can create a supportive environment for sustainable infrastructure development. This can lead to the adoption of sustainable practices, the integration of social and environmental considerations into road infrastructure design and management, and the promotion of long-term thinking and collaboration among stakeholders.

5.3 Implications of the Study

The study provides empirical evidence to support the use of Strategic Planning Systems (SPS) for Sustainable Road Infrastructure Development (SRID). This is of help to transport planners and decision-makers in urban planning and infrastructure development to make informed decisions based on the best available evidence. Strategic planning resources and tools/techniques stand out among SPS components as significant. Strategic planning resources positively influence SRID, emphasizing their pivotal role in driving positive and sustainable urban road projects. This underscores their value in informed decision-making and project management for resilient and eco-friendly infrastructure. Recognizing their importance empowers urban authorities to advance sustainable development by efficiently utilizing these resources for improved road infrastructure aligned with urban growth.

The study also indicates that employing strategic planning and analytical tools significantly benefits sustainable urban road infrastructure development. Such tools facilitate data-driven insights and systematic analyses in urban planning, enhancing livable and thriving environments. They contribute positively by enabling comprehensive environmental, traffic, and community analyses, aligning road projects with sustainability objectives, optimizing resource use, and ensuring effective implementation. Moreover, these tools enable continuous evaluation and improvement of strategies for sustainable outcomes, underscoring their value in urban development for present and future generations.

Building on these findings, several avenues for future research come to light. Primarily, delving into the mechanisms through which strategic planning resources and tools/techniques impact Sustainable Road Infrastructure Development (SRID) is warranted. This should involve investigating specific contributions of resources like finance, human capital, and technology to the planning and execution of urban road infrastructure. Simultaneously, assessing the effectiveness and suitability of distinct tools and techniques within strategic planning can provide nuanced insights into their influence on the outcomes of infrastructure development.

Moreover, further exploration can explore potential interaction effects between strategic planning resources and tools/techniques. A focus on how amalgamating diverse elements creates synergy, thereby amplifying their influence on SRID, can provide a more holistic grasp of their collective impact. Such insights can illuminate the intricate interplay of these dimensions.

Additionally, broadening the scope involves conducting cross-regional comparative studies encompassing varied contextual factors. This approach enhances understanding the relationship between Strategic Planning Systems (SPS) and infrastructure development. By juxtaposing scenarios with differing resource availability, technological advancements, institutional contexts, and urbanization patterns, researchers can pinpoint context-specific factors influencing the efficacy of strategic planning resources and tools/techniques.

Furthermore, embracing long-term studies tracking the trajectory of strategic planning resources and tools/techniques on SRID over extended periods can yield insights into their sustained effectiveness. By tracing urban road infrastructure projects from inception to completion and evaluating their long-term performance, resilience, and adaptability in addressing evolving urban challenges, researchers can offer valuable insights for policy-making and practice.

6.0 Conclusion

The study explored the influence of strategic planning systems on sustainable urban road infrastructure development among Town Councils in Uganda. The results revealed a statistically significant positive correlation between strategic planning systems and sustainable urban road infrastructure development. Key components such as planning resources and strategic planning tools were found to significantly impact the development of sustainable urban roads. These findings suggest that the effective use of planning resources and techniques can enhance sustainable infrastructure projects, contributing to improved urban road systems. However, other components like internal and external considerations, resistance to planning, and functional coverage did not show significant influence, highlighting areas for potential improvement in strategic planning practices. This study underscores the importance of integrating strategic planning systems into urban infrastructure development to achieve sustainability goals, and it opens avenues for further research to explore these dynamics in different contexts and over longer periods.

References

Agasisti, T., Catalano, G., & Erbacci, A. (2018). How Resistance to Change Affects the Implementation of Accrual Accounting in Italian Public Universities: A Comparative Case Study. *International Journal of Public Administration*, *41*, 946–956. Retrieved from https://doi.org/10.1080/01900692.2017.1301469

Agranoff, R. (2007). *Managing within Networks: Adding Value to Public Organizations* (U. Washington, DC, ed.). Georgetown University Press:

Aldehayyat, J. S., & Khattab, A. A. (2011). The Use of Strategic Planning Tools and Techniques by Hotels in Jordan. *Management Research Review*, *34*, 477–490.

Ametepey, S. O., Aigbavboa, C., & Thwala, W. D. (2020). Determinants of sustainable road infrastructure project implementation outcomes in developing countries. Sustainable and Resilient Infrastructure, 7(3), 239–251. *Sustainable and Resilient Infrastructure*, *7*(3), 239–251.

Badford, M. B. (2018). Supporting sustainable transport appraisals using stakeholder involvement and MCDA. *Transport*, *33*(4), 1052–1066.

Banister, D., & Hickman, R. (2013). Transport futures: Thinking the unthinkable. *Sustainability*, *8*(9), 877.

Bednar, P., & Welch, C. (2020). Socio-Technical Perspectives on Smart Working: Creating Meaningful and Sustainable Systems. *Information Systems Frontiers*, *22*, 281–298. Retrieved from https://doi.org/10.1007/S10796-019-09921-1

Beiler, M. O. (2016). Organizational sustainability in transportation planning: Evaluation of multi-jurisdictional agency collaboration. *Journal of Transport Geography*, *52*, 29–37.

Biondi, L., & Russo, S. (2022). Integrating strategic planning and performance management in universities: a multiple case-study analysis. *Journal of Management and Governance*, *26*, 417–448. Retrieved from https://doi.org/10.1007/s10997-022-09628-7

Blackmore, J., Dodson, J., & Bunker, R. (2018). Strategic planning and sustainable transport infrastructure: The case of Sydney. *Transportation Research Part A: Policy and Practice*, *107*, 148–161.

Camillus, J. C., & Venkatraman, N. (1984). Dimensions of strategic choice. *Planning Review*, *12*(1), 26–31.

Carden, T., Goode, N., Read, G., & Salmon, P. (2017). Sociotechnical systems as a framework for regulatory system design and evaluation: Using Work Domain Analysis to examine a new regulatory system. *Applied Ergonomics*. Retrieved from https://doi.org/10.1016/j.apergo.2017.02.019

Chen, M. J., & Lin, Y. H. (2012). The Relationship between Strategic Planning and Enterprise Performance: A Chinese Empirical Study. *International Journal of Economics, Business and Management Studies*, *1*(1), 7–16.

Cheng, H., & Zheng, W. (2017). The role of institutions in promoting sustainable urban road development: Evidence from China. *Habitat International*, *68*, 105–114.

Chung, J., Yun, K. B., & Jinhee, K. (2016). Optimal sustainable road plans using multi-objective optimization approachTitle. *Transport Policy*, *49*, 105–113.

Cohen, S., Manes Rossi, F., Caperchione, E., & Brusca, I. (2019). Local government administration systems and local government accounting information needs: is there a mismatch? *International Review of Administrative Sciences*, *85*(4), 708–725.

Derrible, S. (2018). An approach to designing sustainable urban infrastructure. *MRS Energy & Sustainability: A Review Journal*, *5*(15), 1–15.

Desmidt, S., & Meyfroodt, K. (2018). Debate: Unravelling strategic planning effectiveness—what about strategic consensus? *Public Money & Management*, *38*, 255–256. Retrieved from https://doi.org/10.1080/09540962.2018.1449456.

Dias, A., Lemos, D., Gabarrell, X., & Arroja, L. (2018). Comparison of Tools for Quantifying the Environmental Performance of an Urban Territory. *Ournal of Industrial Ecology*, *22*. Retrieved from https://doi.org/10.1111/jiec.12614

Elbanna, S. (2008). Planning and participation as determinants of strategic planning effectiveness evidence from the Arabic context. *Management Decision*, *46*(5), 779–796.

Elbanna, S., Andrews, R., & Pollanen, R. (2015). Strategic Planning and Implementation Success in Public Service Organizations: Evidence from Canada. *Public Management Review*, 1–26.

Emery, F. E., & Trist, E. L. (1960). *Socio-technical systems. In: Churchman, C.W., Verhulst, M. (Eds.), Management Science Models and Techniques*, *vol. 2.* Oxford, UK: Pergamon,.

Esfahani, P., Mosadeghrad, A., & Akbarisari, A. (2018). The success of strategic planning in health care organizations of Iran. *International Journal of Health Care Quality Assurance*, *316*, 563–574.

Fleisher, G., & Bensoussan, B. (2003). *Strategic and competitive analysis*. New Jersey, United States of America: Prentice Hall.

Flores, R. F., Montoliu, C. M. P. C. M. P., & Bustamante, E. G. (2016). Life cycle engineering for ROADS (LCE4ROADS), the new sustainability certification system for ROADS from the LCE4ROADS FP7 project. *Transportation Research Procedia*, *14*, 896–905.

Friedrich, J. (2015). Integrating neglected ecological impacts of road transport into corporate management. *Ecological Indicators*, *54*, 197–202.

Gan, X., Zuo, J., Ye, K., Skitmore, M., & Xiong, B. (2015). Why sustainable construction? Why not? An owner's perspective. *Habitat Int.*, *47*, 61–68.

George, B., Walker, R. M., & Monster, J. (2019). Does Strategic Planning Improve Organizational Performance? A Meta-Analysis. *Public Administration Review*, *79*(6), 810– 819.

Gonzalez, L., & Gomez-Mejia, L. R. (2014). (2014). The Relationship between Strategic Planning and Firm Performance. *Journal of Small Business Management*, *52*(3), 455–475.

Grant, J. H., & King, W. R. (1979). 'Strategy formulation: analytical and normative models. In *D.E. Schendel and C.W. Hofer (eds.), Strategic Management: A New Model of Business Policy and Planning*. Boston, MA: Little, Brown & Company.

Grant, J. H., & King, W. R. (1982). *The logic of strategic planning*. Boston: Little, Brown, & Co.

Grynko, T. V., & Yehorova, O. (2020). Problems of the strategic planning systems implementation at industrial enterprises. *European Journal of Management Issues, 28*(4), 135–142.

Hadjidemetriou, G. M., Teal, J., Kapetas, L., & Parlikad, A. K. (2021). Flexible Planning for Intercity Multimodal Transport Infrastructure. *Journal of Infrastructure Systems, 28*(1).

Hatefi, S. M. (2018). Strategic planning of urban transportation system based on sustainable development dimensions using an integrated SWOT and fuzzy COPRAS approach. *Global J. Environ. Sci. Manage.*, *4*(1), 99–112.

Helmrich, A.M., & Chester, M. V. (2022). Navigating Exploitative and Explorative Leadership in Support of Infrastructure Resilience. *Frontiers in Sustainable Cities, 4*. https://doi.org/10.3389/frsc.2022.791474

Helmrich, A. M., & Chester, M. V. (2020). Reconciling complexity and deep uncertainty in infrastructure design for climate adaptation. *Sustain. Resil. Infrastruct.*, *2020*, 1–17.

Hofer, C. W., & Schendel, D. E. (1978). *Strategy Formulation: Analytical Concepts*. St. Paul, MN: West Publishing Company.

Hyder, A., Ali, J., Hallez, K., White, T., Sewankambo, N., & Kass, N. (2015). Exploring Institutional Research Ethics Systems: A Case Study From Uganda. *AJOB Empirical Bioethics*, *6*, 1–14.

Jayasuriya, S., Zhang, G., & Yang, R. (2020). Exploring the impact of stakeholder management strategies on managing issues in PPP projects. *International Journal of Construction Management*, *20*, 666–678.

Joumard, R., & Nicolas, J. P. (2010). Transport project assessment methodology within the framework of sustainable development. *Ecological Indicators*, *10*(2), 136–142.

Junussova, M., Maulsharif, M., & Soltybayeva, S. (2023). Developing sustainable infrastructure in central asian cities. *Central Asian Economic Review*, *5*, 53–67.

Kalkan, A., & Bozkurt, O. C. (2013). The choice and use of strategic planning tools and techniques in Turkish SMEs according to attitudes of executives. *Procedia - Social and Behavioral Sciences*, *99*, 1016 – 1025.

Ketokivi, M., & Gastner, X. (2004). Strategic Planning as an Integrative Device. *Administrative Science Quarterly*, *49*, 337–365.

Khanani, M. R., Khattak, A. J., & Quddus, M. A. (2020). Urban road infrastructure development: A systematic review of its impact on economic, social, and environmental sustainability. *Sustainability*, *12*(6), 2236.

Lee, D., McGuire, M., & Kim, J. H. (2018). Collaboration, strategic plans, and government performance: The case of efforts to reduce homelessness. *Public Management Review*, *20*(3), 360–376.

Lee, H. W. (2019). The Cost and Benefit of Interdepartmental Collaboration: An Evidence from the U.S. Federal Agencies. . . *Int. J. Public Adm.*, *43*, 294–302.

Liang, Y., Du, M., Wang, X., & Xu, X. (2020). Planning for urban life: A new approach of sustainable land use plan based on transit-oriented development. *Eval Program Plann.* https://doi.org/10.1016/j.evalprogplan.2020.101811.

Liu, X., & Zheng, L. (2018). Cross-departmental collaboration in one-stop service center for smart governance in China: Factors, strategies and effectiveness. *Gov. Inf. Q.*, *35*, S54–S60.

Lorange, P. (1980). *Corporate Planning: An Executive View- point* (N. Englewood Cliffs, ed.). Prentice-Hall.

Lumpkin, G. T., & Dess, G. G. (1996). Clarifying the entrepreneurial orientation construct and linking it to performance. *Academy of Management Review*, *21*(1), 135–172.

Luyimbazi, G., & Ntwatwa, C. (2022). A System Dynamics Approach to Support Strategic Planning for Sustainable Paved-Road Infrastructure Management in Uganda. *International Journal of Construction Engineering and Management*, *11*(2), 31–44.

Malik, S., Kahtani, N., & Naushad, M. (2013). Integrating AHP, SWOT and QSPM in Strategic Planning- an Application to College of Business Administration in Saudi Arabia. *International Journal of Approximate Reasoning*, *5*, 373–379.

Margerum, R. D., & Parker, R. (2019). Evaluating Networks for Collaborative Planning and Management. *J. Plan. Educ. Res.*, *1*, 1–11.

Martens, K. (2006). Basing Transport Planning on Principles of Social Justice. *Berkeley Planning Journal*, *19*(1), 1–17.

Marzouk, M., Abdelkader, E. M., El-zayat, M., & Aboushady, A. (2017). Assessing Environmental Impact Indicators in Road Construction Projects in Developing Countries. *Sustainability*, *9*(843), 1–21.

Meissner, P. (2014). A process-based perspective on strategic planning: the role of alternative generation and information integration. *Business Research*, *7*, 105–124. Retrieved from https://doi.org/10.1007/S40685-014-0005-9

Mendoza-Moheno, J., Cruz-Coria, E., & González-Cruz, T. (2021). Socio-technical innovation in community-based tourism organizations: A proposal for local development. *Technological Forecasting and Social Change*, *171*(120949). Retrieved from https://doi.org/10.1016/J.TECHFORE.2021.120949

Meng, J. N., Xue, B., Liu, B. S., & Fang, N. (2015). Relationships between top managers' leadership and infrastructure sustainability A Chinese urbanization perspective. *Eng. Constr. Archit. Manag.*, *22*, 692–714.

Mushemeza, E., D. (2019). *Decentralisation in Uganda: Trends, Achievements, Challenges and Proposals for Consolidation, Kampala*.

Nadikattu, R. (2020). Effective Innovation Management in Strategic Planning. *CompSciRN: Practical Computer Skills (Topic)*. Retrieved from https://doi.org/10.2139/ssrn.3622850.

Namada, J. M. (2020). The Role of Strategy Implementation in the Relationship Between Strategic Planning Systems and Performance. *International Journal of Business Strategy and Automation*, *1*(1), 1–23.

Namada, J. M., Bagire, V., Aosa, E., & Awino, Z. B. (2017). Strategic Planning Systems and Firm Performance in the Export Processing Zones. *American Journal of Industrial and Business Management*, *7*, 487–500.

Nwachukwu, C. E., & Chládková, H. (2019). Firm resources, strategic analysis capability and strategic performance: organisational structure as moderator. *International Journal for Quality Research*, *13*(1), 75–94.

Osman, T., Shaw, D., & Kenawy, E. (2018). Examining the extent to which stakeholder collaboration during ecotourism planning processes could be applied within an Egyptian context. *Land Use Policy*. Retrieved from https://doi.org/10.1016/J.LANDUSEPOL.2018.06.043

Pallant, J. (2013). *SPSS Survival Manual. A step by step guide to data analysis using SPSS* (4th ed.). Allen & Unwin.

Pojani, D., & Stead, D. (2017). Sustainable Urban Transport in the Developing World: Beyond Megacities. *Sustainability*, *7*, 7784–7805.

Posch, A., & Garaus, C. (2019). Boon or curse? A contingent view on the relationship between strategic planning and organizational ambidexterity. *Long Range Planning*, *53*(101878). Retrieved from https://doi.org/10.1016/J.LRP.2019.03.004

Ramanujam, V., & Venkatraman, N. (1987). Planning Systems Characteristics and Planning Effectiveness. *Strategic Management Journal*, *8*, 453–468.

Ramanujam, V., Venkatraman, N., & Camilus, J. (1986). Multi-Objective Assessment of Effectiveness of Strategic Planning: A Discriminant Analysis Approach. *Academy of Management Journal*, *29*(2), 347–372.

Ruiz, A., & Guevara, J. (2020). Sustainable Decision-Making in Road Development: Analysis of Road Preservation Policies. *Sustainability*, *12*(3), 872.

Saidi, S., Shahbaz, M., & Akhtar, P. (2018). The long-run relationships between transport energy consumption, transport infrastructure, and economic growth in MENA countries. *Transportation Research Part A-Policy and Practice*, *III*, 78–95.

Salling, K. B., & Pryn, M. R. (2015). Sustainable transport project evaluation and decision support: Indicators and planning criteria for sustainable development. *T. International Journal of Sustainable Development and World Ecology*, *22*(4), 346–357.

Saurí, D., & Serra, P. (2010). Sustainable urban transport planning: A study of Barcelona and its metropolitan area. *Journal of Transport Geography*, *18*(4), 497–508.

Sekaran, U., & Bougie, R. (2014). *Research methods for business: a skill-building approach* (7th ed.). Haddington: John Wiley & Sons.

Späth, L., & Scolobig, A. (2017). Stakeholder empowerment through participatory planning practices: The case of electricity transmission lines in France and Norway. *Energy Research and Social Science*, *23*, 189–198.

Suprayoga, G. B., Bakker, M., Witte, P., & Spit, T. (2020). A systematic review of indicators to assess the sustainability of road infrastructure projects. *European Transport Research Review*, *12*(19), 1–15.

Tykkyläinen, S. (2019). Why social enterprises pursue growth? Analysis of threats and opportunities. *Social Enterprise Journal*. Retrieved from https://doi.org/10.1108/SEJ-04-2018-0033

Ugboro, I. O., Kofi, O., & Ora, S. (2011). Strategic Planning As an Effective Tool of Strategic Management in Public Sector Organizations: Evidence From Public Transit Organizations. *Administration & Society*, *43*(1), 87– 123.

Venkatraman, N., & Ramanujam, V. (1985). *Successful implementation of strategic Planning systems: a path-analytic model*.

Wang, J., Zhu, J., & Zhang, X. (2020). Urban road network planning: An overview of recent advances and future challenges. *Sustainability*, *12*(23), 10015.

Wipulanusat, W., Sunkpho, J., & Stewart, R. . (2021). Effect of Cross-Departmental Collaboration on Performance: Evidence from the Federal Highway Administration. *Sustainability*, *13*(6024).

Xue, B., Liu, B., & Sun, T. (2018). What Matters in Achieving Infrastructure Sustainability through Project Management Practices: A Preliminary Study of Critical Factors. *Sustainability*, *10*(4421). Retrieved from https://doi.org/10.3390/su10124421

The Ugandan Journal of Management and Public Policy Studies (UJMPPS)
December 2024, Vol. 25, No. 1, pp. 65-89
ISSN: 2078-7049 (Print), 2959-4316 (Online)

Published by Uganda Management Institute

Physical Asset Eco-Management Practices in Ugandan Local Governments

Peter Adoko Obicci

Researcher/Associate Consultant, School of Management Science, Uganda Management Institute

Corresponding e-mail: obicci.obicci@gmal.com

Article History

Received: July 15, 2024
Revised: November 18, 2024
Accepted: December 12, 2024

Abstract

Despite the importance of physical asset management (PAM) in improving effectiveness, the literature reveals that PAM neglect exists in Ugandan local governments (LGs). This study aimed to advance the understanding of optimizing factors affecting PAM practices in Ugandan LGs. Within a positivistic framework, this research employed a survey-based methodology to collect quantitative data on physical asset management (PAM) practices in Ugandan local governments (LGs). The survey, distributed to managerial PAM employees in LGs, provided data that was analysed using descriptive and inferential statistical methods, allowing for the testing of hypotheses, identification of patterns, and exploration of relationships, all of which are characteristic of the positivistic research paradigm. The results show that PAM significantly improves value-for-money processes. Still, LGs in Uganda fall short of value creation expectations due to the disregard of optimizing factors such as internal control systems, organizational culture, IT, personnel competence, and regulations. The study highlights the need for LGs to properly utilize optimising elements to generate value for money in physical assets. The findings provide insights for administrators and policymakers to improve the state of physical assets in Uganda. Future research should adopt a mixed-methods and longitudinal approach to improve the understanding of PAM practices and their effectiveness in Ugandan LGs.

Keywords: *Local government, management practices, physical assets, optimizing factors, Uganda*

1.0 Introduction

In a country where operational Physical Asset Management (PAM) is practiced (Maletič et al., 2020), local governments (LGs) play a crucial role in the public value-generation process. Neglected physical assets (Syed & Lawryshyn, 2020) can pose a significant obstacle to achieving this goal, a concern that has been noted by managers in developed economies, who recognize that such neglect can have a detrimental effect on public value generation (Ratnayake & Markeset, 2012). In contrast, developing countries, including Uganda, often emphasise dynamism in technical approaches while neglecting physical assets (Msongole et al., 2022). This necessitates alternative PAM routes and initiatives that incorporate optimizing factors to improve the current physical assets (Obeng & Tuffour, 2020).

PAM is defined as the coordinated activity of an organization to realize value from physical assets, where value realization entails balancing costs, risks, opportunities, and performance benefits (ISO, 2014a). According to the Institute of Asset Management (IAM, 2004), PAM is accountable for the systematic and coordinated activities that enable an organization to achieve its organizational strategic plan by managing its physical asset systems, performance, risk, and expenses optimally and sustainably. Simply put, PAM guarantees that physical assets and other technical systems support an organization's operations through the use, maintenance, renewal, and disposal of physical assets (Haider et al., 2016). It manages and handles support services to meet the needs of the organization, its employees, and its core operations (El-Akruti et al., 2013). A well-organized and structured PAM can enhance a physical asset's appearance and performance, as well as its system's and users' level of satisfaction and efficiency in maintenance and operation (Maletič et al., 2018).

The current state of PAM practices in Ugandan LGs is criticised for being inadequate and largely detached from effectiveness expectations (OAG and PPDAA, 2020, 2021, 2022), which underscores the need for improvement in this area, given the significance of PAM in achieving organizational objectives. The ineffective PAM practices have been reported to affect service delivery, efficiency, client happiness, and the LGs' reputation, in addition to putting a financial and social strain on them. Previous research has highlighted the need for effective management of physical assets, considering key elements such as internal control systems, organizational culture, IT, personnel competence, and regulations (Maletič et al., 2022; Cavka et al., 2017; Urmetzer et al., 2015). However, there is a lack of research on the factors influencing PAM practices in Ugandan LGs, particularly about the optimization of PAM practices (Esmailikia & Nadalinejad, 2023; Emmanouilidis & Komonen, 2013). Furthermore, no study has examined the relationship between optimization and LGs' effective PAM (Aghabegloo et al., 2023; Tajudin et al., 2021; Nateque Mahmood et al., 2024).

This study aimed to address this research gap by investigating the factors that affect the effectiveness of PAM within LGs in Uganda. The research sought to understand the optimizing factors that can have a significant impact on PAM practices, ultimately contributing to the improvement of physical assets and public service delivery in Ugandan LGs. By exploring the relationship between optimization and effective PAM, this study provides valuable insights for policymakers, administrators, and practitioners, enabling them to develop strategies to enhance PAM practices and achieve better outcomes in Ugandan LGs.

The remainder of this article is structured as follows: Section 2 outlines the conceptual and theoretical frameworks that underpin the study, providing a foundation for the research. A detailed description of the data collection and analysis procedures is presented in Section 3, which explains the methodological approach used to gather and examine the data. The key findings of the study, along with their analytical interpretation, are outlined in Section 4, providing a clear understanding of the research outcomes. Section 5 then examines the broader implications of these findings, discussing their potential consequences, applications, and significance with the study's objectives. Finally, the paper concludes in Section 6, followed by a set of recommendations that outline potential avenues for future research and practice.

2.0 Literature review

This study's examination of physical asset eco-management practices in Ugandan local governments is informed through a thorough review of existing literature, providing the foundation for conceptualization and theorization. Agency theory offers a valuable framework for understanding physical asset management dynamics, exploring relationships between principals and agents. Leveraging agency theory, this research uncovers incentives, motivations, and behaviours driving physical asset managers' decision-making, impacting the effectiveness of physical asset eco-management practices, synthesizing knowledge by the literature review section.

2.1 Conceptual Framework

The conceptual foundation for this investigation is depicted in Figure 1. Regulations, information technology, organization culture, reconciliation, employee competence and internal control system are the optimizing factors (independent variables) that affect PAM (the dependent variable) in LGs in Uganda as illustrated in the Figure.

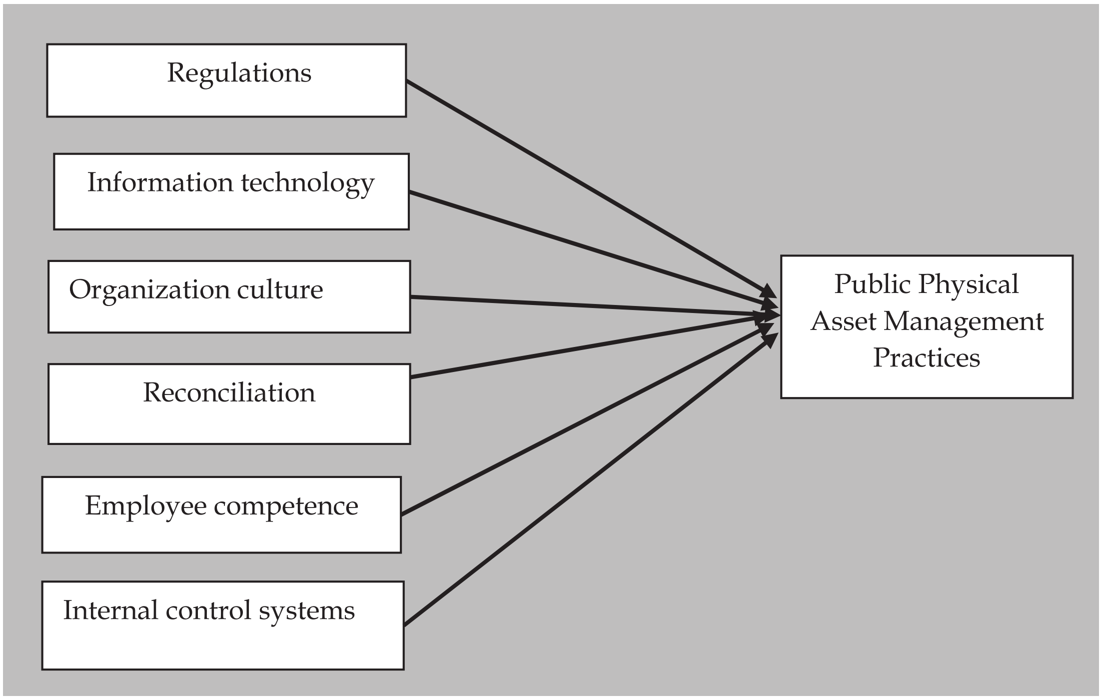


Figure 1: Factors Influencing the physical Asset Management in Local Government

Source: Author's conceptulisation

From Figure 1, it is suggested that the independent variable factors of regulations, information technology, organization culture, reconciliation, employee competence and internal control system may be positively correlated with the dependent variable of PAM.

Because it will clarify how the principal and agent interact for the advantage of LGs, the current study is applying agency theory. The key strategy employed by the LGs to increase public trust in their accountability is seen to be improving PAM.

2.2 Theoretical review and hypotheses development

2.2.1 Principal-Agent Theory

The principal-agent theory, commonly referred to as Agency theory was used to examine how optimizing factors affect the PAM of the LGs in Uganda. As stated by Mrabure and Abhulimhen-lyoha (2020), an organization may be made up of several interconnected agreements between the principals or owners of economic resources, and the managers or agents. The impact of optimizing factors on the PAM of the significant LGs in the Acoliland region of mid-northern Uganda was investigated using the agency theory. Essentially, the theory served as the backdrop for a significant amount of study on this subject.

In the light of the theory, an agency relationship exists when one party, the principal, delegates tasks to another party, the agent. Due to the agent's opportunism or self-interest, this relationship may have several drawbacks. As an illustration, the agent may not act in the principal's best interests or may only partially act in that interest (Davis et al., 2021; Chrisman, 2019). This can take a variety of forms, such as the agent abusing his/her position to gain financial or other advantages, or the agent failing to take the necessary risks to further the interests of the principal.

The public, who own the LG's PAM outcomes, has delegated the day-to-day management of the PAM to the employees who act as their agents. This highlights the critical need for strong internal control practices for adequate safeguarding of the public's interests. In consequence, the agency theory was very applicable to this study, particularly with the aspects that optimize PAM.

2.2.2 Physical asset management

PAM, which relates to LGs' physical assets, is the application of scientific methodologies to the general administration of an LG's physical environments to actualize the goals and objectives of PAM (Ekayanti et al., 2018). Managing support services to satisfy the demands of the organization, its core purpose and its workforce is the main responsibility of PAM. Additionally, Syaifudin et al. (2020) demonstrate that a well-organized and structured PAM can enhance an LG's physical performance and appearance as well as its system's ability to satisfy users and carry out its intended function more efficiently. As physical assets become more complex in terms of utilization, maintenance, renewal and disposal, the trend towards improved management of physical assets is expected to continue (Giglio et al., 2018). PAM is becoming more and more integrated into LGs' basic management strategy and operations, encompassing both physical assets and related services. Using data from their study, Haron et al. (2015) claim that ineffective PAM and abuse of physical assets are two causes that could result in the loss of public revenue.

Effective PAM is often influenced by enough resources, individuals with the necessary skills, the right practices, connection with other service providers and a healthy work environment. In contrast to LG culture and information system, research by Ismail et al. (2019) found that internal control and employee knowledge are vital to PAM practices in a government agency. A successful PAM optimizes resource utilization, delivers good customer service and maximizes resource utilization by a well-balanced financial goal (Too, 2010). According to Hastings (2015), effective PAM can only be achieved when physical asset managers have a plethora of expertise and quick access to accurate, relevant and timely physical asset information. What core factors make up PAM's best practices? They can be found in some of the most important standards or PAM systems of today (Maletič et al., 2020, 2017; Naief, 2017; Emmanouilidis, C., & Komonen, 2013; Zuashkiani et al., 2011), which are found in the systems for regulations, information technology, organization culture, reconciliation, employee competence and internal control systems. These are extensively explored and matching hypotheses are developed in the sections that follow.

2.2.3 Regulations

In PAM, a regulation is a clause intended to control how people interact with one another in a society or a nation while managing physical assets (Lima & Costa, 2019). On the establishment of regulations, it was claimed that the law was written rules comprising binding legal norms generally and that it was established or designated by the institution or the responsible authority through methods provided in the legislation. LGs ought to assign themselves responsibility for managing public physical assets. In the context of decentralization, as in the case of Uganda, LGs are granted the power to enact their laws, provided they do not clash with higher laws (LGA, 1997) and PAM guidelines under the Ministry of Finance Planning and Economic Development (AAPG, 2023). Regarding the policy and accounting system of LGs concerning the recognition, measurement and presentation of the physical assets in the balance sheet, is another rule that is also used as a reference in the area of physical asset administration.

To satisfy the public's demand for effective legislation, it is necessary to create rules governing the creation of laws that are carried out in a predictable and well-established manner as well as standards that compel the adoption of a particular type of legislation by all relevant organizations. Local law, regulation or decision region head and head area are the three levels of the hierarchy of laws that are in effect in the LGs. According to Mardiasmo and Liyanage, (2015) analysis of the impact of legislation on public PAM, each 100 percent increase in regulation will have a sizeable beneficial impact on PAM relative to the current level of legislation. Hypothesis 1 is put forth in the light of the ideas and empirical data from earlier studies, thus,

H_1: Regulations have a positive effect on PAM.

2.2.4 Information Technology

In their study, Panegossi et al. (2022) sought to investigate the function of information in PAM, the reasons behind the importance of manufacturing organizations, and the implications of the introduction of 4.0 machines for information management. As a result, this study implies that quality data can be gathered using ISO 55001 information requirements guidelines and appropriate training. However, this research also shows that firms are not ready for this kind of disruption, even if they may presently rely on real-time information with the advent of 4.0 machines. The effective execution of ISO 5001 regulation is closely linked to organizational culture. Similarly, organizational factors play a role in the acquisition of new technologies and the utilization of data.

The study conducted by Diop et al. (2021) centres on the identification and analysis of strategic asset management (SAM) components. It was discovered that the challenges faced by upper management, including technological, methodological and managerial ones, could be reduced by implementing maintenance 4.0 through the use of technological solutions like cloud computing, cyber-physical systems (CPS), big data analytics and the industrial internet of things (IIOT). Gumelar (2015) created a framework for municipal asset management by concentrating on an information technology-based asset inventory system. It was discovered that information technology utilization can aid in the development of municipal asset management. However, without employee cooperation, the tools are insufficient. Following Hanis et al.'s (2011) study, which found that the use of information technology had a favourable impact on the quality of reporting of regional assets, research by Azhar et al. (2008) demonstrated that the use of information technology had a considerable impact on PAM. The second hypothesis is put forth on the ideas and empirical data from earlier studies, hence, hypothesis 2 is proposed:

H_2: Information technology has positive effects on PAM.

2.2.5 Organization culture

The nature and extent of culture, particularly in terms of working culture and employee behaviour were thought to be associated with organizational performance. According to research by Brunetto et al. (2013), the organizational asset management culture was significantly influenced by the public-sector workers' attitudes toward change and their perceptions of autonomy. The impact of organizational culture on the morale of employees in the Sector Akunta nsi and on reporting to the Financial Management Board and Asset Ogan Ulu was determined by Yansahrita (2019). Utilizing field research, questionnaires, interviews, documentation and observation, data management and collecting are accomplished through literature reviews and field investigations. It has been discovered that at the Ogan Komweing Ulu Regional Financial and Asset Agency, organizational culture has a minor impact on staff morale in the accounting and reporting departments.

Xerri et al. (2015) investigated how Australian asset managers, engineers and technicians involved in PAM felt about organizational transformation, affective commitment and psychological well-being of their workplace relationship (POS and LMX). The theoretical framework for the study was derived from social exchange theory, and 255 asset managers, asset management engineers and asset management maintenance staff were asked to self-report. It was discovered from a structural equation model that supervisor-subordinate relationships and perceived organizational support was positively correlated with an employee's emotional attachment to the organization and that perceived organizational support was positively correlated with an employee's attitude toward organizational change. Asset managers' leadership could encourage a proactive organizational culture, and boosting the supervisor's culture can affect the effectiveness of PAM practices (Ismail et al., 2019). The following supposition is made, though;

H_3: Organizational culture may influence the PAM.

2.2.6 Reconciliation

To make financial statements believable, the Treasury Instructions (2017) state that reconciliation is one of the essentials. This is because it plays a crucial role in minimizing the influence that disparities in recording have on the veracity and correctness of the data shown in financial statements. Reconciliation is carried out as part of an LG's management of its physical assets to determine the true value of those assets. In their analysis of the impact of asset management, Nurdiansyah et al. (2020) looked at the planning requirements, inventory, identification, legal audit, asset valuation, utilization and monitoring of asset optimization in personnel in charge of assets in the Denpasar High Court Regional Work unit. Asset optimization is positively and significantly impacted by asset valuation, according to the study.

Asset managers all across the world are vying for coveted and valued investor cash and working to differentiate their alpha delivery from that of other companies. Merell (2016) studied the reconciliation procedure and the significance of putting in place a scalable reconciliation solution that can support development. He concluded that having a high-quality reconciliation procedure should be regarded as crucial to any comprehensive operations ecosystem because it is highly valued by both operations executives and investors. Therefore, attention should be directed to creating a reconciliation process of institutional calibre that satisfies both internal and external requirements. This needs to boost internal controls and better overall risk management. Reconciliation in PAM checks the fixed asset sub-ledger with the general ledger regularly to confirm the accuracy of the statistics. When an account is reconciled, it may be determined whether depreciation is appropriately charged, asset disposal is effectively recorded, and the addition of a new physical asset is justified. It is thus proposed that;

H_4: Reconciliation influence PAM positively.

2.2.7 Employee competence

Inadequate, inadequately trained and inexperienced employees operate against efficient, effective and high-quality asset management services in the public sector (Hanis et al., 2011). This is because there are no supporting databases, which forces decision-makers to rely on guessing. While the findings of other studies indicate that more knowledge is needed to produce higher-level benefits in the maintenance management information system in PAM, this is not necessarily the case. In Shah et al.s' (2017) study, the difficulties and opportunities of implementing AMP in a department or agency responsible for highway maintenance are examined. A thorough literature study and an industry survey was conducted as part of an exploratory research approach. The findings showed that the AMP is only being applied inefficiently to the upkeep of roadways; therefore, a strong commitment is needed to enhance asset management capabilities to make efficient use of asset data.

To guarantee that employees have the proper perspective of knowledge, managers must strengthen their asset management capabilities (Hanis, 2010). This idea that knowledgeable employees will result in an efficient asset management practice in government departments is backed by Hanis et al. (2011). Effective asset management procedures in the government department are the result of knowledgeable employees. Therefore, this study looks at how information can influence how motivated public sector employees are to improve their practices. Hypothesis 5 is proposed based on ideas and empirical data from prior studies, thus;

H_5: Employees' competence may influence the PAM.

2.2.8 Internal control system

The internal control system of government is a procedure that is essential to the actions and activities regularly carried out by the management and all employees to offer reassuring evidence that organizational objectives have been met. This is accomplished through effective and efficient operations, the accuracy of financial reporting, the security of physical assets owned by the government and adherence to laws and regulations (Chen et al., 2020). The goal of a yearly inspection is to make sure that assets are used appropriately, are in excellent condition, and that asset records are updated when modifications are made to the assets (Treasury Instructions, 2017). Organizations with effective internal control systems perform financially better than those with ineffective systems.

Internal control, according to Cuomo (2005), will aid in safeguarding an organization's assets that are essential to the achievement of its objectives. The organization will be able to achieve its goals, including delivering professional services to the community, while using resources effectively and reducing the risk of fraud if the internal control system is implemented correctly (Fauziah & Mediawati, 2024). A comparable internal control system is anticipated to increase the efficacy of asset management procedures in this study. Consequently, the following theory is put forth,

H_6: *Internal control system may influence PAM.*

3.0 Methodology

The methodology for this study on physical asset eco-management practices in Ugandan local governments is rooted in a positivistic philosophy, which emphasises the use of scientific methods to investigate phenomena. A survey methodology was chosen for its ability to collect quantitative data from a large sample size, allowing for generalizability and reliability of findings. The exclusive use of structured questionnaires was justified due to their cost-effectiveness, reduced bias error, and ability to maintain respondent anonymity. This data collection method is also simple to code and enables quick gathering of data from a large sample (Creswell & Creswell, 2018; Sekaran & Bougie, 2016). The Acoli sub-region was selected as the study area due to its unique context of recovering from a brutal twenty-year war, which has resulted in significant physical asset resource support from governments and donors. This setting provides a rich environment to investigate physical asset eco-management practices. The sub-region's history of conflict has led to challenges in managing local governments, with the region facing difficulties in effectively utilising the massive influx of physical assets and resources (Acholi Sub-Region Reconstruction Report). Additionally, managing massive physical assets has become a critical concern in the region, with the need for effective physical asset management practices being a significant challenge, particularly in ensuring the sustainable use and maintenance of these assets (Physical Asset Management in Post-Conflict Regions). Based on earlier work, suitable questions were designed to quantify the variables, using a 5-point Likert scale to measure the variables in the questionnaire (Taherdoost, 2021). The sample of 283 public sector employees in Acoliland, specifically in the districts of Gulu, Kitgum, Pader, and Amuru, can be considered representative of local governments in Uganda for several reasons. Firstly, Acoliland is a unique sub-region that has undergone an intense 20-year period of brutal civil war, resulting in significant destruction of physical assets and subsequent rebuilding efforts. This experience has led to an influx of physical assets and resources into the region, making it an ideal setting to study physical asset management practices.

As one of the regions in Uganda with twelve local governments, Acoliland's experiences and challenges in managing physical assets are likely to be reflective of those faced by other local governments in the country. The region's history of conflict and subsequent reconstruction efforts have necessitated the development of physical asset management practices that are tailored to the unique needs and challenges of post-conflict environments.

Furthermore, the sample of public sector employees who were familiar with the physical asset management procedure and worked with local governments in Acoliland provides a rich source of data on the practices and challenges of physical asset management in local governments. The fact that the sample was drawn from four districts in Acoliland (Gulu, Kitgum, Pader, and Amuru) adds to the representativeness of the sample, as it captures the experiences and perspectives of multiple local governments in the region. Given that Acoliland is the only sub-region in Uganda that has experienced such intense and prolonged conflict, it is likely that the region has received more physical assets and resources than any other sub-region. This makes the region an ideal setting to study physical asset management practices, as it provides a unique opportunity to examine the challenges and opportunities associated with managing large amounts of physical assets in a post-conflict environment. Therefore, the sample of 283 public sector employees in Acoliland can be considered representative of local governments in Uganda, particularly in terms of their experiences and challenges in managing physical assets in post-conflict environments. The findings of this study are likely to have implications for physical asset management practices in other local governments in Uganda, particularly those that are recovering from conflict or experiencing significant influxes of physical assets and resources.

A total of 282 questionnaires were returned, yielding a high response rate. A pre-test of the questionnaire was conducted in Omoro district, which is also part of Acoliland but not included in the main study, to improve the questionnaire's comprehension and validity. The input from the pre-test research was used to refine the questionnaire, ensuring that it effectively captured the necessary data.

4.0 Results and Data Analysis

This section presents the findings of the study on physical asset eco-management practices in Ugandan local governments.

4.1 Response Rate and Demographic Profiles of the Respondents

The response rate for this study on physical asset eco-management practices in Ugandan local governments was exceptionally high, with 282 out of 283 distributed questionnaires being returned, representing a response rate of 99.6%. However, upon closer examination, it was determined that only 261 of the returned questionnaires were valid for this study, resulting in a response rate of 92.2%. This high response rate is a testament to the effectiveness of the data collection method and the willingness of the respondents to participate in the study.

The high response rate can be attributed to several factors, including the careful selection of respondents, who were familiar with the physical asset management procedure and worked with local governments in Acoliland. Additionally, the use of a self-administered questionnaire allowed respondents to complete the survey at their convenience, which may have contributed to the high response rate. The validity of the returned questionnaires was assessed based on the completeness and consistency of the responses. A total of 21 questionnaires were deemed invalid due to incomplete or inconsistent responses, which is a relatively small percentage of the total number of returned questionnaires. The high validity rate of 92.2% suggests that the respondents took the survey seriously and provided thoughtful and accurate responses. The findings on the response rate and demographic profiles of the respondents provide a solid foundation for the analysis of the data. The high response rate and validity rate suggest that the data is reliable and representative of the population of public sector employees in Acoliland. The demographic characteristics of the respondents are also consistent with the population of public sector employees in Acoliland, which provides further evidence of the representativeness of the sample. Overall, the response rate and demographic profiles of the respondents suggest that the data collected for this study is of high quality and can be used to draw meaningful conclusions about physical asset eco-management practices in Ugandan local governments. The findings of this study will provide valuable insights into the practices and challenges of physical asset management in local governments and will inform the development of strategies for improving physical asset eco-management practices in Ugandan local governments. The study's respondents' profile is shown in Table 1.

Table 1: Summary of Demographic Profiles of Respondents

Demographic item	Categories	Frequency	Percentage
Sex	Male	149	59.9
	Female	100	40.1
Age	20-30years	21	8.4
	31-41 years	87	34.9
	42-52 years	116	46.6
	53-64 years	21	8.4
	65+	4	1.6
Education	Masters	42	17
	Post Graduate Diploma	104	42
	Bachelor	69	28
	Diploma	24	10
	Others	7	3
Experience	0-5 years	31	12.4
	6-11 years	57	22.9
	12-16 years	106	42.6
	17-22 years	33	13.3
	23+ years	22	8.8

Source: Field Data

From Table 1 above, the demographic analysis of the respondents in the study on physical asset eco-management practices in Ugandan local governments reveals a fascinating insight into the characteristics of the sample. *Males* constituted the majority, making up 59.9% of the population, while ***females*** accounted for 40.1%. The age distribution of the respondents shows that the bulk of participants were between the ages of 42 and 52, comprising 46.6% of the sample, followed by those between 31 and 41 years old, who made up 34.9%. The remaining age groups were represented by smaller percentages, with 9.5% of respondents between 20 and 30 years old, 6.4% between 53 and 64, and 1.6% aged 65 and above. In terms of educational backgrounds, the respondents demonstrated a high level of education, with 42% holding *post-graduate diplomas*, 28% having *Bachelor's degrees*, 17% having *Master's degrees*, 10% having *diplomas*, and a small percentage (1.14%) having *other qualifications*. The experience years of the respondents also show a significant amount of time in their respective fields, with 42.6% having between 12 and 16 years of experience, 22.9% having between 6 and 11 years, and 13.3% having between 17 and 22 years. A smaller proportion of respondents had less than 5 years of experience (12.4%), while 8.8% had more than 23 years of experience. These findings are consistent with previous studies on physical asset management practices in local governments in Uganda, which have highlighted the importance of effective management of physical assets in delivering quality services to citizens. [1] [2]. The demographic profiles of the respondents in this study provide a solid foundation for understanding the physical asset eco-management practices in Ugandan local governments, and the findings have implications for policymakers and practitioners seeking to improve the management of physical assets in local governments.

4.2 Validation of the Instruments

4.3.1 Reliability Test

The study used a variety of statements to assess respondents' perceptions of the six dimensions: regulations (15 statements), information technology (12 statements), organization culture (13 statements), reconciliation (5 statements), employee competence (14 statements), internal control system (10 statements) and PAM (16 statements). To quantify how individuals, see something (a dimension), assertions must be trustworthy or consistent. The researcher used Cronbach's alpha to test for the reliability of these dimensions with the results presented in Table 2. A scale is generally considered to have high reliability if its alpha score is over 0.75, moderate reliability if it is between 0.5 and 0.75, and low reliability if it is below this number (Alkharusi, 2022).

Table 2: Cronbach's Alpha by Construct

Construct	Number of statements	Cronbach's Alpha
Regulations	15	0.910
Information technology	12	0.838
Organization culture	13	0.972
Reconciliation	05	0.876
Employee competence	14	0.903
Internal control systems	10	0.962
Physical asset management practices	16	0.914

Table 2 lists the Cronbach's alpha values for the seven constructs, which range from 0.838 (information technology) to 0.876 (reconciliation) to 0.903 (employee competence), 0.910 (regulations), 0.914 (PAM), 0.962 (internal control system), and 0.972 (organization culture). The different Cronbach's alpha scores above 0.8 show that the statements employed can accurately gauge respondents' perceptions of the seven constructs.

4.2.2 Normality Test

The results of the normality test indicate that all of the variables' skewness and kurtosis values fall between -0.875 and 1.040. According to George and Mallery (2010), a normal distribution has values for skewness and kurtosis in the range of -2 to +2. This shows that the mean score for regulations, information technology, organizational culture, reconciliation, employee competency, internal control systems and PAM is normally distributed. The study then conducted the subsequent analysis using the parametric statistical method in the light of this finding. In this normalcy test, there is a tiny discrepancy between the mean of PAM practices and the trimmed mean, which is determined by 0.0210. The negligence difference is not relevant to this investigation and has no impact on the data's normal distribution. Therefore, it can be assumed that there was no deviation from normality.

4.3 Regression Analysis

To examine how important it is to optimize parameters for PAM practices, multiple regression results were used. The following tables display the multiple regression analyses' findings.

Table 3: Regression analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.211	0.302		4.316	0.000
	Regulations	0.225	0.071	0.247	3.105	0.001
	Information technology	0.457	0.051	0.541	6.410	0.000
	Organization culture	0.322	0.070	0.130	4.716	0.000
	Reconciliation	0.421	0.067	0.121	3.657	0.000
	Employees' competence	0.331	0.065	0.057	3.673	0.000
	Internal control systems	0.297	0.047	0.160	5.016	0.001

Table 3 illustrates a linear regression between the dependent variable and at least one independent variable, with a significant value of 1% (F=27.362, p=.000). Table 3 demonstrates how internal control systems, staff competency, organizational culture, information technology and regulations affect PAM.

H_1 claimed that the regulations would affect the PAM. The outcomes indicated that beta=0.247, t=3.105, indicating that strict adherence to rules would result in effective PAM. The regulations' p-value is 0.000 to 0.01. At a 0.05 level of significance (=0.05), there is evidence that rules have an impact on PAM. H_1 is thus supported.

H2 predicted that the PAM will be impacted by information technology. The outcome showed that beta= 0.457, t=6.410, indicating that effective information technology use will improve PAM practice's quality. Information technology is demonstrated to have a significant impact on PAM with a p-value of 0.000 and a significance level of 0.01 significant level (=0.05). H_2 is therefore supported.

As per H_3, the PAM will be influenced by the organizational culture. The association between organizational culture and PAM is indicated by the coefficient of organizational culture, which has a beta value of 0.322 and a t-value of 4.716. PAM and organizational culture are significantly correlated, as shown by the p-value=0.000>0.01 significant level (=0.05) for organizational culture. Based on the outcome, PAM is impacted by changes in organizational culture. H_3 is therefore supported and can be maintained further.

H_4 predicted that the reconciliation would affect the PAM. Reconciliation correlates with PAM, according to the coefficient of reconciliation with beta = 0.42, t=3.657. There is a substantial correlation between reconciliation and PAM, as shown by reconciliation with a p-value of 0.000>0.01 significant level (=0.05). The outcomes suggest that PAM is impacted by the changes in reconciliation. H_4 is therefore supported and can be maintained further.

H5 proposed that the PAM will be influenced by the employee competence level. The outcome indicated that strong employee competence would result in effective PAM with beta =0.331 and t=3.673. The employee's p=value for competence is 0.000>0.01. At a significance level of 0.05, there is evidence that employee competence has an impact on PAM.

H_6 proposed that the PAM will be affected by the internal control systems. Internal control systems and PAM are significantly correlated, according to the coefficient of the internal control system with beta =0.297, t=5.016. Internal control systems with a p-value of 0.000>0.01 significance threshold ((=0.05) show a significant correlation with PAM. The positive association suggests that an increase in internal control mechanisms will lessen PAM's efficacy. Consequently, H_6 is supported.

The multiple linear regression model's summary is presented in Table 4. For linear regression models, the quality of fit metric R^2 is used (Ali & Younas, 2021).

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.703[a]	.795	.685	.47383

Table 4 demonstrates that the independent variable's strength of effect on the dependent variable is measured by R2, which has a value of 0.095. This suggests that differences in the extent of regulations, IT, organizational culture, reconciliation, employee competence and internal control mechanism account for 79.5 percent of the diversity in PAM practices. The adjusted R2 is 0.685 support this.

My findings, which are shown in Table 5, indicate how optimizing factors affected PAM practices in the LGs in Acoliland based on an ANOVA test.

Table 5: ANOVA results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	20.573	6	6.145	27.362	.000[b]
	Residual	40.784	246	.227		
	Total	69.356	250			

a. Dependent Variable: Overall means for public physical asset management

b. Predictors: (Constant), Overall means for regulations, Overall means for information technology, Overall means for organization culture, Overall means for reconciliation, Overall means for employees' competence, Overall means for internal control systems.

A substantial association exists between the independent and dependent variables, as indicated by Table 5's F-statistics value of 27.362 and F-statistics probability of 0.000. This suggests that differences in PAM practices in the chosen LGs in Acoliland can be explained by a combination of factors, including regulations, IT, organizational culture, reconciliation, employee competence, and internal control mechanisms.

5.0 Discussion

The primary goal of this study was to examine the impact of results on physical asset management (PAM) in Uganda's local governments (LGs). The findings of the hypothesis test (H1) reveal a substantial and favourable connection between regulations and PAM in Ugandan LGs, which lends weight to earlier studies (Maletïc et al., 2018). Previous research has shown that a PAM framework can be conceptualized using physical asset strategy and policy, which can positively impact sustainability performance (Maletïc et al., 2018). This conclusion is further supported by the fact that regulations can play a crucial role in shaping PAM practices in local governments. The study's findings are also informed by the work of Nurdiansyah et al. (2020), who examined the impact of asset management on asset optimization in the Denpasar High Court Regional Work Unit. Their research covered a range of aspects, including planning requirements, inventory, identification, legal audit, asset valuation, utilization, and monitoring of asset optimization, and found that the legal audit does not significantly improve asset optimization (Nurdiansyah et al., 2020). This highlights the importance of considering the specific context and organizational setting when designing and implementing PAM practices. The policy implications of this study are significant, as they suggest that regulations can be a powerful tool for improving PAM practices and promoting sustainability in Ugandan local governments. Strengthening regulations and ensuring that they are enforced effectively is critical, as is developing PAM frameworks that are tailored to the specific needs and context of local governments (Maletïc et al., 2018). Additionally, capacity building and monitoring and evaluation are essential for effective PAM practices, and policymakers should prioritize providing training and capacity-building programmes for local government officials and employees responsible for managing physical assets. The findings of this study provide valuable insights into the policy implications of physical asset eco-management practices in Ugandan local governments and highlight the need for a nuanced and context-specific approach to improving PAM practices.

The second goal of this study was to investigate the impact of information technology on physical asset management (PAM) in local governments (LGs) in Uganda. The results of hypothesis (H2) reveal a similar association between information technology and PAM in Ugandan LGs, suggesting that the effectiveness of PAM would increase with the adoption of information technology. This finding is consistent with the study by Meikhati and Wahyuningsih (2022), which examined the effects of implementing management assets on a fixed asset internal control system at Dura Bangsa University Surakarta. They found that the fixed asset internal control system was operating successfully, with supporters in management asset implementation through management assets already having orderly procedures, clear flowcharts, sufficient human resources, and device supporters in the form of SINAPRA (system infrastructure) integrated from request fixed assets, procurement fixed assets, and placement fixed assets, all via SINAPRA. However, the study's findings also highlight the challenges associated with the adoption of information technology in PAM. A study by Ossai and Degoke (2014) found that a lack of computer skills was a crucial obstacle and major difficulty in the development of information systems, which supports the findings of this study. The lack of basic computer skills among staff members, particularly senior workers, can have a significant detrimental effect on the ability of the organization to function. Alshehri and Drew (2010) also point out that organizational, social, financial, and cultural barriers can prevent the successful implementation of government systems. The outcomes of this study could be a result of the government employees' lack of information system training and the fact that the majority of them are familiar with the computerised asset management system. To ensure that a computerised system is usable, the government must take the necessary steps, such as increasing training and knowledge of the system. This is critical to addressing the challenges associated with the adoption of information technology in PAM. The findings of this study provide valuable insights into the policy implications of physical asset eco-management practices in Ugandan local governments and highlight the need for a nuanced and context-specific approach to improving PAM practices. The study's results suggest that the adoption of information technology can have a positive impact on PAM, but that this requires careful consideration of the challenges and barriers associated with its implementation. By addressing these challenges and providing the necessary training and support, the government can ensure that information technology is used effectively to improve PAM practices in Ugandan local governments, as noted by Meikhati and Wahyuningsih (2022) and Alshehri and Drew (2010).

The third goal of this study was to investigate the impact of organizational culture on physical asset management (PAM) in a local government (LG) of Uganda. The results of the hypothesis (H3) test indicate a significant association between organizational culture and PAM in LG of Uganda, suggesting that organizational culture has a minimal effect on PAM in a Ugandan LG and that the relationship could be further strengthened. This finding is corroborated by the study of Hanim et al. (2017), which demonstrated that organizational culture, such as honesty, did not have a significant impact on asset misappropriation. Phelps (2010) also concurs that despite the presence of a supportive organizational culture, it is challenging to define and characterize the traits of organizational culture, and that individual behaviour patterns and cultural variances are significant factors in determining the effectiveness of a political system. The study's findings also highlight the importance of workplace culture in driving PAM practices, as noted by Mason (2006). Septarini and Manuhutu (2018) examined the implementation of a fixed asset management model in the local administration of Merauke Regency and found that the development of the model prioritized organizational culture and commitment while emphasising the planning, acquisition, utilization, and oversight processes. The study demonstrated that human resources' organizational commitment to managing fixed assets raises awareness of the need to manage assets in line with relevant rules and that a strong controlling function requires a culture that regards leader behaviour as an example for subordinates, adds a supervisory process from top-level leadership elements, and implements regional regulations that manage the sanction of fixed assets. The elements that determine the occurrence of asset misappropriation in a corporation were examined by Ghani et al. (2021), who found that leadership style, organizational culture, and internal control all have considerable impact. Frimansyah and Kuntadi (2023) mapped the impact of asset inventory, legal audit, and control oversight on asset optimization and discovered that control supervision has an impact on asset optimization. These findings provide valuable insights into the policy implications of physical asset eco-management practices in Ugandan local governments and highlight the need for a nuanced and context-specific approach to improving PAM practices. The study's results suggest that organizational culture plays a significant role in shaping PAM practices and that a strong controlling function is essential for effective asset management, as noted by Septarini and Manuhutu (2018) and Ghani et al. (2021).

The fourth goal of this study was to examine the impact of reconciliation on physical asset management (PAM) in Uganda's local governments (LGs). The outcome of the study reveals a strong connection between reconciliation and PAM, which is reinforced by earlier studies. For instance, asset managers worldwide are competing for investor cash and seeking to differentiate their alpha delivery from that of other companies. Merrell (2016) studied the reconciliation procedure and emphasised the importance of implementing a scalable reconciliation solution that can support growth. He concluded that having a high-quality reconciliation procedure is crucial to any comprehensive operations ecosystem, as it is highly valued by both operations executives and investors. Therefore, attention should be directed towards creating a reconciliation process of institutional calibre that meets both internal and external requirements, which in turn can enhance internal controls and improve risk management. This is consistent with the findings of Sriastiti et al. (2020), who analysed the impact of asset management on asset optimization in the Denpasar High Court Regional Work Unit. Their study found that asset valuation has a positive and significant impact on asset optimization, highlighting the importance of accurate and reliable asset valuation in achieving optimal asset management. The study's findings have significant policy implications for Ugandan local governments, as they highlight the need for effective reconciliation processes to support physical asset management. By implementing a scalable and institutional-grade reconciliation process, local governments can enhance their internal controls, improve risk management, and ultimately achieve better asset optimization. This is critical in ensuring that physical assets are managed efficiently and effectively, which can have a positive impact on the delivery of public services and the overall well-being of citizens. As Merrell (2016) noted, a high-quality reconciliation procedure is essential to any comprehensive operations ecosystem, and its importance cannot be overstated in the context of physical asset management in Ugandan local governments.

The fifth goal of this study was to investigate the impact of staff competence on physical asset management (PAM) in local governments (LGs) in Uganda. The outcome of the study reveals a significant association between employee competence and PAM, suggesting that competent workers would result in efficient asset management procedures in a government department. This finding is supported by Hanis et al. (2011), who hypothesized that asset management practices in government departments would be impacted by staff with low levels of knowledge due to inadequate training and experience. Employees are considered the most valuable assets to organizations, as they possess the necessary knowledge, experience, and skills for asset management practices (Shardy et al., 2011). Therefore, government workers must receive sufficient training to equip them with the knowledge and skills necessary to support the department (Norhidayah et al., 2015). Protecting the government's physical assets is crucial, and every employee has a significant role to play in this regard. However, without competent guardians, these efforts can be in vain, and the situation can give rise to the possibility of fraud. To make fraud unacceptable, perhaps long-term education is required (Rosmawari et al., 2015). As a result, staff knowledge reflects asset management procedures, and managers must enhance their asset management capabilities to ensure that employees have the proper sense of knowledge (Shah et al., 2017). To effectively manage assets, the right knowledge, skills, experience, behaviour, attitudes, and qualities are necessary (Hastings, 2010). The study's findings are also consistent with the research of Maletïc et al. (2021), who proposed a methodology for selecting and evaluating managers in the asset management industry based on an analytical hierarchy process (AHP). The AHP is an effective and trustworthy strategy for choosing the best asset manager, and it confirms the standards of proficiency for asset management personnel. Additionally, Gunawan et al. (2017) researched and analysed the impact of organizational commitment, competence, and governance on worker performance and good asset management at the regional work units (SKPD) of the Makassar city government. The study found that the various outcomes on competence, good governance, and employee performance have a favourable and considerable impact on quality asset management and that the effectiveness of LGs' asset management is significantly influenced by organizational commitment and competence indirectly.

The sixth goal of this study was to investigate the impact of internal control on physical asset management (PAM) in local governments (LGs) of Uganda. The results of the hypothesis (H6) test reveal a substantial and positive connection between internal control and PAM in LGs of Uganda, lending support to earlier literature. The findings show that PAM effectiveness increases with internal control levels, highlighting the importance of internal control in ensuring the effective management of physical assets. An organization's internal control system refers to the effective control procedures put in place to safeguard its assets (Badara & Saidin, 2013). Internal controls, such as physical asset control, can have a significant impact on the financial accountability of government agencies. The application of internal control can also influence the performance of the government sector (Cecilia, 2017). Ekayanti et al. (2018) employed a quantitative approach to test and gather empirical data on the impact of local human resources personnel of varying quality, asset management information systems, internal control systems of government, and organizational commitment on the effectiveness of fixed asset management. The findings demonstrated that these variables have positive and significant effects on the effectiveness of fixed asset management, although these effects are not statistically significant. Ismail et al. (2019) investigated the factors that influence the asset management procedures used by Malaysian government agencies and found that internal control and staff understanding have a strong positive impact on asset management methods. The study's findings also show that there is no meaningful correlation between organizational culture and information systems about asset management procedures, highlighting the need for further research in this area. The results of this study have significant policy implications for Ugandan local governments, as they highlight the importance of internal control in ensuring the effective management of physical assets. By implementing effective internal control procedures, local governments can improve the accountability and transparency of their asset management practices and ultimately enhance the delivery of public services. As Badara and Saidin (2013) noted, an effective internal control system is essential for safeguarding an organisation's assets, and this is particularly important in the context of physical asset management in local governments.

6.0 Conclusion and Recommendations

Creating successful physical asset management practices within Uganda's local governments requires a thorough examination of key variables that impact their effectiveness. These variables include regulations, information technology, organizational culture, reconciliation, employee competence, and internal control systems. It is essential to understand that these elements have a substantial impact on physical asset management in local governments. To successfully manage their assets, local governments must prioritize these six factors, ensuring that each has a performance measurement in place. This is crucial for delivering public services and achieving sustainable development goals. Developing regulations, information technology, organizational culture, reconciliation, employee competence, and internal control systems is vital for supporting effective physical asset management practices in local governments. Future research should explore the relationship between these variables and the effectiveness of physical asset management, as well as develop a roadmap and implementation plans for optimizing aspects of physical asset management. Additionally, research can focus on creating practical tools and guidelines for local governments to implement effective physical asset management practices, including performance measurement frameworks, asset management information systems, and training programmes for employees. In Uganda's local government system, a comprehensive strategy that considers the unique needs and challenges of each local government is necessary for effective physical asset management. The administration of assets and human resource competence are critical factors in enhancing the capacity of asset management. A well-formulated physical asset management policy and strategy, backed by plans, is essential for maintaining a balance between service levels, risk, and cost while supporting local governments in connecting with their communities.

Local governments should develop tailored strategies that address their specific needs and challenges, involving thorough asset assessments, identifying areas for improvement, and developing targeted plans to address these gaps. Effective physical asset management practices require a combination of technical expertise, organizational capacity, and stakeholder engagement. By developing comprehensive strategies, building capacity, and engaging with stakeholders, Uganda's local governments can improve their ability to manage physical assets, deliver quality services, and support the needs of their communities.

References

Aghabegloo, M., Rezaie, K., & Torabi, S.A. (2023). Risk Analysis in Physical Asset Management Under Sustainability. In: Durakbasa, N.M., Gençyılmaz, M.G. (eds) Towards Industry 5.0. ISPR 2022. *Lecture Notes in Mechanical Engineering*. Springer, Cham. https://doi.org/10.1007/978-3-031-24457-5_33

Ali, P.Z., & Younas, A. (2021). Understanding and interpreting regression analysis. *Evidence-Based Nursing*, 24(4): ebnurs-2021-103425. DOI:10.1136/ebnurs-2021-103425

Alkharusi, H. (2022). A descriptive Analysis and Interpretation of Data from Likert Scales in Educational and Psychological Research. *Indian Journal of Psychology and Education*, *12*(2),13-16

Alhazmi, N. (2018). A theoretical framework for physical asset management practices, *Facilities*, *36*(3/4), 135-150. https://doi.org/10.1108/F-02-2016-0025

Azhar, S., Nadeem, A., Mok, J.Y.N., & Leung, B.H.Y. (2008). Building Information Modeling (BIM): A New Paradigm for Visual Interactive Modeling and Simulation for Construction Projects, First International Conference on Construction in Developing Countries (ICCIDC–I). "Advancing and Integrating Construction Education, Research & Practice" August 4-5, 2008, Karachi, Pakistan

Backer, M. A. B. M. A., & Yusoff, W. Z. W. (2015). A review of asset management practice in Malaysian Local Governments. *Proceedings of the 25th International Business Information Management Association Conference - Innovation Vision 2020: From Regional Development Sustainability to Global Economic Growth, IBIMA 2015, January*, 3577–3582.

Brunetto, Y., Xerri, M., & Nelson, S. (2014). Building a Proactive, Engagement Culture in Asset Management Organizations. *Journal of Management in Engineering*, *30*, 04014014-2. DOI: 10.1061/(ASCE)ME.1943-5479.0000251

Cavka, H.B., Staub-French, S., & Poirier, E.A. (2017). Developing owner information requirements for BIM-enabled project delivery and asset management. *Automation in Construction*, *83*, 169–183.

Chen, Y, Wang, Q., & Zhang, L. (2020). Exploring the relationship between legal audit and asset optimization: A study in the real estate industry. *Real Estate Economics*, *48*(2), 289-304.

Chrisman, J. J. (2019). Stewardship theory: Realism, relevance, and family firm governance. *Entrepreneurship Theory and Practice*, *43*(6), 1051-1066.

Cuomo, A. (2005). Internal Controls and Financial Accountability for Not-for-Profit Boards. Retrieved from http://www.oag.state.ny.us/charities/html

Creswell, J.W., & Creswell, J.D. (2018). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches*. Sage.

Díaz de Rada, V. (2019). Influence of the questionnaire design in self-administered surveys. *Sociology International Journal*, *3*(1), 115-121.

Diop, I., Abdul-Nour, G., & Komljenovic, D. (2021). Overview of Strategic Approach to Asset Management and Decision-Making. *International Journal of Engineering Research & Technology (IJERT)*, 10(12), 64-89.

Ekayanti, S.M., Rifa'I, A., & Irwan, M. (2018). Determinants Effectiveness Fixed Asset Management of District Government on the Island of Lombok. *International Journal of Business Management and Economic Research (IJBMER)*, *9*(1), 1219-1229

El-Akruti, K., Dwight, R., & Zhang, T. (2013). The strategic role of engineering asset management. *Int. J. Prod. Econ.*, 146, 227–239, DOI: 10.1016/j.ijpe.2013.07.002.

Emmanouilidis, C., & Komonen, K. (2013). Physical Asset Management Practices in Industry: Comparisons between Greece and Other EU Countries. 20th Advances in Production Management Systems (APMS), Sep 2013, State College, PA, United States. pp.509-516,

Esmailikia, G., & Nadalinejad, S. (2023). Asset Management Activities in Public Sector: Investigating the Current Status and Contextual Factors Affecting Their Improvement. *Government Accounting*, *9*(1), 227-246. doi: 10.30473/gaa.2023.66854.1642

Davis, P. E., Bendickson, J. S., Muldoon, J., & McDowell, W. C. (2021). Agency theory utility and social entrepreneurship: issues of identity and role conflict. *Review of Managerial Science*, *15*, 2299- 2318.

Fauziah, N.I., & Mediawati, E. (2024). The influence of asset management on optimization of the use of fixed assets in the government sector. *International Journal of Business, Law, and Education*, *5*(1), 309–316.

George, D., & Mallery, P. (2010). 10th Ed.). *SPSS for windows Step by Step: A Simple Guide and Reference* 17.00. Boston.

Giglio, J.M., Friar, J.H., & Crittenden, W.F. (2018). Integrating lifecycle asset management in the public sector. *Business Horizons*, 61, 511—519.

GOU Asset Accounting Policies and Guidelines (AAPG), 2023. https://www.finance.go.ug/sites/default/files/2023-06/GOU%20Asset%20Managment%20Policies%20and%20Guidelines%202023.pdf

Gumelar, M. (2017). The Importance of Data: Developing Smart Asset Management Framework in IOT ERA. *Airlangga Development Journal*, *1*(1), 1-11.

Haider, A., Koronios, A., & Quirchmayr, G. (2016). You cannot manage what you cannot measure: An information systems-based asset management perspective. In Proceedings of the Engineering Asset Management, Jiuzhaigou, China, 25–28 July, 2016; Mathew, J., Kennedy, J., Ma, L., Tan, A., Anderson, D., Eds.; Springer: pp. 288–300.

Hanis, H.M. (2010). The significance of Public Asset Management Framework Application for Indonesian Local Governments: Opportunities and Challenges. Paper presented at 1st Makassar International Conference on Civil Engineering, At Makassar, Indonesia,

Hanis, H. M., Trigunarsyah, B., & Susilawati, C. (2011). The application of public asset management in Indonesian local government: A case study in South Sulawesi province. *Journal of Corporate Real Estate*, *13*(1), 36-47.

Haron, R., Mohamed, N., & Paino, H. (2015). Misappropriation of assets: A decepticon of leakages in Malaysian public sector. *Proceedings of the International Conference on Accounting Studies (Icas) 2015, October 2013*, 70–77.

Hastings, N.A.J. (2015). *Physical Asset Management with an Introduction to ISO 55000*. (2nd. Ed.). Springer.

Ismail, A. H., binti Saidin, N. F., Saad, S., Dangi, M. R. M., & Johari, R. J. (2019). Asset management practices: Malaysian government departments perspective. *International Journal of Modern Trends in Business Research (IJMTBR)*, *2*(8), 23–40.

Lima, E.S., & Costa, A.P.C.S. (2019). Improving Asset Management under a regulatory view. *Reliability Engineering & System Safety*. *190*, 106523. https://doi.org/10.1016/j.ress.2019.106523

Local Governments Act 1997 (Cap. 243).

Obeng, D.A., & Tuffour, Y.A. (2020). Prospects of alternative funding sourcing for maintenance of road networks in developing countries. *Transportation Research Interdisciplinary Perspectives*, *8*, 100225, https://doi.org/10.1016/j.trip.2020.100225

Maletič, D., Maletič, M., Al-Najjar, B., & Gomišček, B. (2020). An Analysis of Physical Asset Management Core Practices and Their Influence on Operational Performance. *Sustainability*, *12*(21), 9097; https://doi.org/10.3390/su12219097

Maletič, D., Maletič, M., Al-Najjar, B., & Gomišček, B. (2018). Development of a model linking physical asset management to sustainability performance: An empirical research. Sustainability, *10*, 4759, doi:10.3390/su10124759.

Maletič, D., Maletič, M., Al-Najjar, B., & Gomišček, B. (2019). Examination of the mediating effects of physical asset management on the relationship between sustainability and operational performance. In *Proceedings of the Advances in Manufacturing II*, Poznan, Poland, 19–22 May 2019; Hamrol, A., Grabowska, M., Maletic, D., Woll, R., Eds.; Springer International Publishing: Cham, Switzerland, 2019; pp. 33–43.

Maletič, D., Marques de Almeida, N., Gomišček, B., & Maletič, M. (2022). Understanding motives for and barriers to implementing asset management system: an empirical study for engineered physical assets. *Production Planning & Control*, *34*(15), 1497-1512.

Mardiasmo, D., & Liyanage, J. (2015). Asset Management Reform Through Policies, Regulations, and Standards: The Need for 'Soft' Interface. In: Tse, P., Mathew, J., Wong, K., Lam, R., Ko, C. (eds) *Engineering Asset Management - Systems, Professional Practices and Certification. Lecture Notes in Mechanical Engineering*. Springer, Cham. https://doi.org/10.1007/978-3-319-09507-3_100

Meikhati, E., & Wahyuningsih, R. (2022). Fixed asset management: The impact on fixed assets internal control in institutions of higher education (Case study: Universitas Duta Bangsa Surakarta). 3rd International Conference of Health, Science and Technology (ICOHETECH)

Merrell, T.W. (2016). Operational alpha and reconciliation solutions for growing asset managers. *Journal of Securities Operations & Custody*, *8*(2), 113-118.

Mrabure, K. O., & Abhulimhen-Iyoha, A. (2020). Corporate governance and protection of stakeholders' rights and interests. *Beijing L. Rev.*, *11*, 292.

Msongole, S.S., Bakuwa, R.C., & Mkandawire, B.O. (2022). Assessing the level of application of physical asset management core practices at water boards in Malawi. *Heliyon* 8, e11614. https://doi.org/10.1016/j.heliyon.2022.e11614

Naief, A. (2017). Physical asset management practices in the Saudi public sector. *Built Environment Project and Asset Management*, *7*(1), 19-31. https://doi.org/10.1108/BEPAM-12-2015-0070

Nateque Mahmood, M., Prasad Dhakal, S., Brown, K., Keast, R., & Wiewiora, A. (2014). Asset management policies and guidelines of different states in Australia: A comparative analysis, *Journal of Facilities Management*, 12(3), 286-302. https://doi.org/10.1108/JFM-03-2013-0017

Nurdiansyah, D, H., Ruchjana, E, T., Alfasari, M. (2020). The Influence of Asset Management Towards Optimization of State Assets in Working Units in the Denpasar High Court Region. *Jurnal Ekonomi dan Bisnis Jagaditha*, 7(1), 24-38. doi: https://doi.org/10.22225/jj.7.1.1414.24-38

PPDA Annual Reports, FY 2020-2021. https://www.ppda.go.ug/download-reports/reports/ppda-annual-reports/

PPDA Annual Reports, FY 2021-2022. https://www.ppda.go.ug/download-reports/reports/ppda-annual-reports/

Ratnayake, R.M.C., & Markeset, T. (2012). Asset integrity management for sustainable industrial operations: Measuring the performance. *Int. J. Sustain. Eng*., *5*, 145–158, DOI:10.1080/19397038.2011.581391.

Rasolonjatovo, H., Lande, E., & Harison, V. (2015). Active asset management: feasibility in Malagasy municipalities. *Public Money and Management*, *35*(6), 417–422. https://doi.org/10.1080/09540962.2015.1083686

Report of the Auditor General to Parliament for the Financial Year ended 30th June 2022. https://www.oag.go.ug/consolidatedreports

Report of the Auditor General to Parliament for the Financial Year ended 30th June 2021. https://www.oag.go.ug/consolidatedreports

Report of the Auditor General to Parliament for the Financial Year ended 30th June 2020. https://www.oag.go.ug/consolidatedreports

Sekaran, U., & Bougie, R. (2016). *Research Methods for Business: A Skill-Building Approach*. (7th Ed.). Wiley & Sons.

Septarini, D.F., & Manuhutu, F.Y. (2018). Implementation of Fixed Assets Management Model Development in Local Government of Merauke Regency Papua. *Int. J.Eco.Res*, V9 i6, 37 –

Shah, R., McMann, O., & Borthwick, F. (2017). Challenges and prospects of applying asset management principles to Highway maintenance: A case study of the UK. Transportation Research Part A Policy and Practice 97. DOI:10.1016/j.tra.2017.01.011

Syaifudin, M., Ritchi, H., & Avianti, I. (2020). Determinants of Asset Management Effectiveness and Its Impact on The Fairness of The Asset Presentation. *Jurnal Aset (Akuntansi Riset), 12*(2), 278-288.

Syed, Z., & Lawryshyn, Y. (2020). Multi-criteria decision-making considering risk and uncertainty in physical asset management. *J. Loss Prev. Process Ind.*, 65, 104064, DOI: 10.1016/j.jlp.2020.104064.

Taherdoost, H. (2021). Data Collection Methods and Tools for Research; A Step-by-Step Guide to Choose Data Collection Technique for Academic and Business Research Projects. *International Journal of Academic Research in Management (IJARM)*, *10*(1), 10-38.

Tajudin, A., Norziaton, I. K., & Ismail, A. H. (2021). Assessment on Factors Affecting Asset Management Performance in Malaysian Government Agencies: A Concept Paper. *International Journal of Academic Research in Business and Social Sciences, 11*(7), 736–751

Too, E. G. (2010). A framework for strategic infrastructure asset management. *Engineering Asset Management Review*, *1*, 31–62. https://doi.org/10.1007/978-1-84996-178-3_3

Treasury Instructions (2017). https://www.finance.go.ug/publications/treasury-instructions-2017

Urmetzer, F., Parlikad, A.K., Pearson, C., & Neely, A. (2015). Design Considerations for Engineering Asset Management Systems. In: Amadi-Echendu, J., Hoohlo, C., Mathew, J. (eds) 9th WCEAM Research Papers. *Lecture Notes in Mechanical Engineering*. Springer, Cham. https://doi.org/10.1007/978-3-319-15536-4_22

Yansahrita, Y. (2019). The Influence of Organizational Culture to Employee in The Financial and Asset Management Agency. *Accumulation*, *3*(2), 1-5.

Xerri, M, Nelson, S & Brunetto, Y. (2015). Importance of workplace relationships and attitudes toward organizational change in engineering asset-management organizations', *Journal of Management in Engineering,* 31(5), 641-655. http://doi.org/10.1061/(ASCE)ME.1943-5479.0000306

Zuashkiani, A., Rahmandad, H., & Jardine, A.K.S. (2011). Mapping the dynamics of overall equipment effectiveness to enhance asset management practices. *Journal of Quality in Maintenance Engineering*, *17*(1), 74-92. https://doi.org/10.1108/13552511111116268

The Ugandan Journal of Management and Public Policy Studies (UJMPPS)
December 2024, Vol. 25, No. 1, pp. 90-117
ISSN: 2078-7049 (Print), 2959-4316 (Online)

Published by Uganda Management Institute

Financial Inclusion and Financial Wellbeing among households: A case of Uganda

John Okodoi[1]*, Gideon Nkurunziza [2], Gorrettie Kyeyune[2], Joseph Ntayi[2]

[1]Department of Business and Administration, Uganda Martyrs University

[2]Department of Business and Management Science, Makerere University Business School, Kampala

Corresponding e-mail: Okodoijohn77@gmail.com

Article History

Received: September 12, 2024
Revised: December 06, 2024
Accepted: December 20, 2024

Abstract

The main purpose of this study is to examine the impact of financial inclusion on financial well-being among households in unindustrialized economies with data obtained from a sample size of 400 urban rich and urban poor in central Uganda. The study employed a cross-sectional design. Data were collected from 400 households drawn from three districts of Kampala, Wakiso and Mukono in the central region of Uganda. In addition, exploratory factor analysis (EFA) and confirmatory factor analysis were used to establish convergent validity between the items used to measure the different constructs under study. The results generated from the study designate a positive and significant relationship between financial inclusion and financial wellbeing (β=0.401, p values < 0.05). The study adopted only a cross-sectional study design, thus leaving out the longitudinal study. Therefore, future studies employing longitudinal research design are worth undertaking. The article indicates that researchers, policymakers, and advocates of financial inclusion should reconsider investigating the individual contributions of the different components of financial inclusion in promoting the financial well-being of households in urban Uganda. This article combines all the components (usage, accessibility, and affordability) measures of financial inclusion to explain the financial well-being of households in urban Uganda.

Keywords: *Financial Inclusion, Financial Wellbeing, Households, Uganda*

1.0 Background

Financial inclusion is measured by access to basic products and services, usage, quality and welfare (Bongomin et al., 2016; Okello et al, 2017). Financial inclusion is very important in improving the household's financial wellbeing (Okello et al., 2019). However, despite the availability of finances from financial institutions, households' financial well-being has remained low (UBOS, 2021). Additionally, previous scholars such as World Bank (2021), World Bank (2020), Bongomin et al., (2017), Bongomin et al., (2019), Okello et al., (2020), Bongomin et al., (2020) have used access, usage, quality and welfare as measures of financial inclusion while explaining financial wellbeing. However, these studies ignore the use of affordability and accessibility of financial inclusion. Therefore, in this study we applied accessibility and affordability as part of the measures of financial inclusion (FI). Furthermore, policy makers should note that financial inclusion alone may not promote financial wellbeing among rich and poor households in urban Uganda. Therefore, there is need to design and implement future financial education programmes, which abide more on behavioral change in order for access, usage, accessibility and affordability to be accurately utilized by households. Alliance for Financial Inclusion (2021) defines financial inclusion as "a state in which all people who can use and have access to full suite of quality financial services provided at affordable prices, in a convenient manner, and with dignity for the customer" (Info et al., 2021). Furthermore, the World Bank (2021) defines financial inclusion as having "access to a transaction account or an electronic instrument to store money, send payments and receive deposits."

Accordingly, the Global Findex Database shows that 76% of adults worldwide had a transaction account in 2021, while only 55% owned a debit or credit card and 59% made a digital payment. Access to credit and savings is less developed, with only 28% of adults borrowing from and 29% saving in a formal financial institution. Lack of access to financial services is particularly acute. Only a quarter of adults in these jurisdictions use a savings account, and about a half borrow – with more than a half of this borrowing coming from informal sources (Demirgüç-Kunt et al., 2022). Access to credit or savings products is even lower in some regions, such as Latin America and the Caribbean. Lack of access to retail investment and insurance constrains households from accumulating wealth or building resilience (Diop et al., 2023; Abdul et al., 2019; Tombini, 2024; Cevik, 2024). Studies carried out in 2024 show that Singapore is the most financially inclusive market among 41 analysed countries, followed by Hong Kong, South Korea, Switzerland, and Sweden (Oyinpreye & Ph, 2024).

Globally, the adoption of National Financial Inclusion Strategies (NFIS) have accelerated significantly in the past decade. Keeping in view the global trend, the Reserve Bank of India under the aegis of Financial Inclusion Advisory Committee (FIAC) initiated the process of formulation of the National Strategy for Financial Inclusion (NSFI) for the period 2019-2024.

According to the Global Findex Database 2021, account ownership worldwide shows that 76% of adults now have a financial account. This is a significant increase from 51% in 2011. Furthermore, in developing economies, account ownership has increased by 30% points to 71%.

Further, Digital Payments played a vital role during the COVID-19 pandemic which speeded the adoption of digital financial services, thus about 40% of adults in developing economies made digital transactions. Moveover, Mobile money has become essential enabler of financial inclusion, especially in Sub-Saharan Africa, particularly Uganda (Puli et al., 2024; Nation, 2024; Solutions et al., 2024; Report, 2024).

In Uganda, substantial progress has been made on financial inclusion. This can be seen in data on access, use and affordability. Access to accounts has increased across the country (Okello., 2024; Deshpande & Koning, 2024; Mugambe, 2024).

In terms of financial wellbeing, Financial Resilience has been on top with about 55% of adults in developing economies able to access emergency funds within 30 days.

Secondly, in terms of Financial Worrying, 63% of adults in developing economies are very worried about common financial expenses, compared to 33% in high-income economies. .

Thirdly, opportunities for Improvement is that one-third of mobile money account holders in Sub-Saharan Africa cannot use their account without being helped by a family member.

Financial inclusion and financial well-being are critical indicators of economic wellbeing and individual prosperity worldwide (Deshpande & Koning, 2024; Atkinson & Overton, 2024).

With regard to Uganda, financial inclusion and financial well-being have shown remarkable progress in recent years, reflecting the country's commitment to enhancing access to financial services and improving the economic health of its population. This is elaborated on below.

Regarding Financial Inclusion as of 2023, 81% of Uganda's adult population had access to financial services, incorporating both formal and informal channels. The proportion of adults accessing formal financial institutions increased from 52% in 2013 to 58% in 2018. By 2021, formal account ownership rose to 66%, indicating a positive trajectory in financial inclusion. Adopting digital finance, which includes mobile banking, mobile money, and agent banking, has been instrumental in advancing financial inclusion in Uganda. These Digital Financial Services have expanded access to financial products, especially in underserved regions.

For the case of Financial Well-Being, Uganda's economy has demonstrated resilience in Economic Growth with growth estimated to reach 6.0% in the fiscal year 2024, up from 5.3% in the previous fiscal year. This growth is attributed to favourable agricultural production and robust industrial and services activity. Human Development Index (HDI) played a vital role in that between 1990 and 2023, Uganda's HDI value improved from 0.329 to 0.550, marking a major improvement in the population's well-being. Additionally, in March 2024, Uganda met the criteria for graduation from the Least Developed Countries (LDCs) category, reflecting progressions in health, education, and income. Furthermore, in terms of Educational Attainment, Educational levels have improved, with the percentage of adults lacking secondary education decreasing from 70% in 2018 to 61% in 2023. However, gender disparities persist, necessitating continued efforts to promote inclusive education.

Therefore, in conclusion, Uganda has made substantial progress in enhancing financial inclusion and improving the financial well-being of its citizens. The enlargement of digital financial services and improvements in economic indicators underscore this progress. While digital financial services have enhanced inclusion, they also pose challenges related to cyber security and digital literacy (Alliance for Financial Inclusion, 2021). Therefore, while global financial inclusion and well-being have shown positive trends, ongoing efforts are necessary to address existing disparities and adapt to emerging challenges in the financial sector (Naceur et al., 2024; Goals & Affairs, 2024; President et al., 2024; Summary, 2025). Hence, the Global Financial Inclusion Index shows stable growth in financial inclusion, with the world scoring 41.7 in 2022, 47.4 in 2023, and 49.7 in 2024. However, 1.4 billion adults do not have an account with a formal financial institution, such as a bank, microfinance institution, post office, or mobile financial service provider, and are thus financially excluded (Cantú et al., 2024).

Financial wellbeing is measured in terms of cash flow management (income) and quality of life (or quality standard of living through parameters such as investment, liquidity, expenses and debt management (Setiyani & Solichatun, 2019). Therefore, the concepts of the study are derived from consumer theory and theory of reason action. The latest studies have shown that financial wellbeing is fundamental for the improvement of the quality of life both in urban and rural areas, (Brüggen et al., 2017a) as evidenced by the way people live in Asia, USA and Europe globally which can be characterized by finances to promote better welfare of households in Uganda. Financial wellbeing is important because it helps to improve individual's livelihood in a community or society.

Financial wellbeing can help one to make a choice to finance his/her current and future obligations. Financial well-being is the foundation on which so many other aspects of a family's life are built as stipulated by international and national initiatives such as Sustainable Development Goals, (2030), National Development Plan III and Uganda Vision 2040. More so, Sukumaran (2021) noted that it also helps to improve the confidence, sentiment and knowledge that enable people to take better decisions in their lives. Financial Well-being has positive implications on educational achievement, contributes to better health outcomes and builds a stronger community for all nations worldwide (Mokhtar, 2019).

Brüggen et al., (2017a) define financial well-being as "the perception of being able to sustain current and anticipated desired standard of living and financial freedom" as well. While other scholars like Setiyani & Solichatun, (2019) describe financial well-being as a state of being from the bottom and have expenditure shares of less than 10%, whereas from the top 20% of households have expenditure shares of at least 38%. Financially healthy, happy, and free from worry, which is based on a subjective evaluation of one's financial condition, (Xiao, 2015) also describes it as a financial status in that a consumer or family has adequate resources to live a comfortable life. Financial well-being, involves protection against hard to see risks and the build-up of savings to meet future needs. Consumer Financial Protection Bureau (CFPB, 2015) explains FWB as a state of being where a person can entirely meet present and continuing financial commitments, can feel protected in their financial forthcoming, and is also able to make selections that permit satisfaction of life for him and his or her family members or households as a whole. Similarly, Lind et al. (2020) concurs with the definition of CFPB (2015) which described financial well-being as a state of being wherein persons can fully meet current and ongoing financial obligations, can feel secure in their financial future and are able to make choices that allow them to enjoy life. Additionally, Financial well-being is defined as a sense of security in the future with proper money management in the present (Netemeyer et al., 2018). Therefore, this study was based on both objective and subjective indicators as pointed out below to measure financial wellbeing like cash flow management (CLM) and Quality of life (QOL) or standard of living (SOL) through income, saving, investment, liquidity, expenses and debt in brief.

Well-being as a concept refers to a good or satisfactory condition of existence, according to (emirgüç-Kunt and Klapper (2013). Studies of the different types of wellbeing seem to have primarily focused on personal wellbeing and to have been anchored in psychology, whereas this conceptualization relies on the well-being literature where financial wellbeing as such is of great interest for the study. Therefore, the main purpose of this study was to examine the impact of financial inclusion (affordability, accessibility and usage) in explaining financial wellbeing among households in Uganda.

The study was carried out with the following specific objectives under financial inclusion:

i. Financial affordability has a significant effect on financial wellbeing among households in Uganda.
ii. Financial accessibility has a significant effect on financial wellbeing among households in Uganda.
iii. Financial usage has a significant effect on the financial wellbeing households in Uganda.

1.1 Theoretical Review

This presents the theoretical frameworks and the views of other scholars in line with the study's objective. The purpose of this review was basically to bring on board management theories related to the subject under study to help the researcher extend knowledge beyond what already exists. It further intended to help the investigator understand how the subject matter had been advanced before by earlier scholars.

Theories that helped to guide this study to make us understand financial wellbeing both globally and locally particularly in Uganda’s case are the consumer theory (CT) (Levin & Milgrom, 2004) and the theory of reasoned action (Ajzen, I. and Fishbein, M. 2004). The purpose of TRA is to understand human behaviour. According to the theory of reasoned action, a person’s behaviour is determined by her/his intention and action (Mugambe, 2024). In the context of this study, consumer theory explains the ability of households to consume goods and services so as to satisfy their immediate needs. According to Levin and Milgrom (2004) consumer theory postulates that utility of goods and services resides in themselves. The theory explains the households' ability to enhance financial literacy in improving their financial freedom through financial inclusion. The theory further assumes that utility resides in the goods and services themselves to make consumer choices. Because of the above limitation, this called for another theory thus the theory of reasoned action to explain it better. Levin and Milgrom (2004) described Consumer theory as the study of how people decide to spend their money based on their individual preferences and budget constraints or how a rational consumer would make consumption decisions. Consumer theory is based on what people like and this can be through financial inclusion, that is to say, having access to finances. So it begins with something that we cannot directly measure but must infer with it. Consumer theory is based on the premise that we can infer what people like from the choices they make, the theory emphasises on the consumption aspect and pays less attention to the behavioural aspect which is critical in this study. Therefore, the theory of reasoned action filled in the gap which had been left out by consumer theory on the behavioural aspect. Levin and Milgrom(2004) critiqued consumer theory because of the above limitation that called for theory of reasoned action to bridge the gap. The historical development of consumer theory indicates a long tradition of interest of economists in the subject, which has undergone substantial conceptual changes over time to reach its present form (Banks et al., 2024).

The consumer theory assumes that utility exists in the goods and services themselves to make consumer choices (Levin & Milgrom, 2004). The theory proposes that utility of goods and services resides in themselves. The theory captures financial inclusion as a variable; theory helps households acquire finances through access, accessibility, and affordability. The consumer theory has not adequately explained the aspect of behaviour in the achievement of financial wellbeing. (Levin & Milgrom, 2004). The theory of reasoned action assumes to understand human behaviour, also assumes that humans are rational beings and, lastly, that humans are rational in decision making (Ajzen & Fishbein 1980).

The theory describes how households can achieve financial well-being through changed behavior in a positive direction; it captures financial well-being as a variable. The consumer theory and the theory of reasoned action are both relevant as far as financial well-being is concerned. The consumer theory tends to cover financial inclusion; the theory motivates an individual to acquire knowledge and skills and have access to financial services and products such as bank accounts, credits and needs, and insurance, among others, met but pays less attention to financial wellbeing as a variable in this study. Therefore, the theory of reasoned action is to fill in the gap that has been left out by consumer theory. Theory of reasoned action addresses the question of why individuals or households do things the way they do them or behave the way they behave (Azen & Fishbein, 1980). Both consumer theory and theory of reasoned action in regard to this study are connected to financial inclusion as a variable that has a relationship with financial wellbeing and socio-cultural factors do affect households in one way or the other as far as their financial wellbeing is concerned.

2.0 Literature Review

This section presents the findings of various scholars' previous literary work on the subject under inquiry or investigation.

Despite countries' efforts to slow the spread of the virus, the pandemic has infected 514,030,435 people as per the WHO websites of May 2022. The outbreak has impacted negatively on global financial markets, creating an environment of uncertainty and volatility of households in general and this has affected so much the wellbeing of households as a whole. Households are the key players in the economic growth and economic development in every country. Without being financially stable, households may not contribute to the development and growth of any given country, and particularly a developing country like Uganda (Sukumaran, 2021).

Brüggen et al. (2017a) define financial well-being as "the perception of being able to sustain current and anticipated desired standard of living and financial freedom". Other scholars like Setiyani and Solichatun (2019) describe financial well-being as a state of being from the bottom have expenditure shares of less than 10%, whereas from the top 20% of households have expenditure shares of at least 38%. Financially healthy, happy, and free from worry, which is based on a subjective evaluation of one's financial condition (Xiao, 2015) also describes it as a financial status in that a consumer or family has adequate resources to live a comfortable life. Consumer Financial Protection Bureau (CFPB, 2015) explains FWB as a state of being wherein a person can fully meet current and ongoing financial obligations, can feel secure in their financial future, and is also able to make choices that allow enjoyment of life (Ray, 2018).

Similarly, Lind et al. (2020) concurs with the definition of CFPB 92015) that described financial well-being as a state of being wherein a person can fully meet current and ongoing financial obligations, can feel secure in their financial future and is able to make choices that allow them to enjoy life. Additionally, Financial well-being is defined as a sense of security in the future with proper money management in the present (Netemeyer et al., 2018).

Financial well-being is perceived to result from financial knowledge, financial capability and investing in financial products (Hira et al, 2013). Financial well-being is having control over one's finances, not feeling stressed and learning to live within one's means, less dependence on debt, focus on the future, saving and being able to afford expenses, being able to retire when desired (Fu, 2020). Furthermore, financial well-being is about meeting financial commitments on time and having adequate savings and resources to be able to survive amidst financial tremors. The study variables to measure financial well-being are individuals' secure feeling about the current financial state; feeling of assurance regarding one's future in financial footings; and feeling confident to fund one's retirement (Chavali et al, 2021). Financial well-being can be defined as a state of financially being healthy, happy and free from any worry, which is based on a subjective appraisal of one's financial constrains according to Setiyani and Solichatun (2019).

Kamakia et al, (2017) noted that financial wellbeing of employees can make their life cooler as they can work and retire free of worry. Financial well-being is viewed as the perception of being able to withstand current and projected desired living standards and having financial freedom (Netemeyer et al., 2018). The literature under this includes income, wealth, and debt, economic hardship, and financial stress and coping strategies; for example, families with inadequate income, wealth, or debt may experience economic hardship that precipitates stress when they struggle to afford their current and ongoing financial obligations. Families use a variety of strategies to manage these circumstances. Tsai Wan-chi Chen Editors Family (2017) argued that wellbeing in Japan is poorly understood when it comes to children.

Jamal et al.,(2015) carried out a study on financial wellbeing among public employees in Malaysia. The study aimed at discussing the level of public employees' financial wellbeing in Malaysia as well as examining the determinants of financial wellbeing. A convenient sampling technique was used to arrive at a sample of 73 public employees in Selangor and Putrajaya. Questionnaires were distributed through e-survey to collect the data. The response rate was 41%. The results indicated that respondents' financial wellbeing was at multiple level consisting of low, moderate and high. Their saving cultures were found to be at an unsatisfactory level and they spent more than they earned. The study period was not indicated, the conceptual definition of financial wellbeing was too narrow, the analytical model was missing, and the response rate was low. The study is also inconclusive as to the level of financial wellbeing of public employees. Again, the financial literacy concept can be added to seek its relationship with financial wellbeing (Kamakia, Mwangi & Mwangi, 2017). In Malaysia, Sabri et al. (2020) stated that less than 40% of households had access to finances that would make them to a rich family. They also stated that wellbeing had five elements thus: financial well-being, community, physical, career and social (Summary, 2025).

Oton (2017) argues that the financial well-being of households is influenced by individuals that can manage their finances well, have capability to save and invest. He argues that in Indonesia, the financial wellbeing is still less as compared to other developed world. The financial reality of wellbeing is the fact of every life of households in society or community. Yue et al. (2020a) states that globally, COVID-19 which emerged in Wuhan, China, and spread to the rest of the world, including Uganda, had impacted the population negatively across the globe.

2.1 Financial wellbeing

Financial wellbeing is measured in terms of cash flow management (income) and quality of life or quality standard of living through parameters such as investment, liquidity, expenses and debt management (Selvia et al., 2021). Latest studies have shown that financial wellbeing is fundamental for the improvement of the quality of life or standard of living both in urban and rural areas (Brüggen et al., 2017a) as evidenced by the way people live in Asia, USA and Europe etc. which can be characterized by finances to promote better welfare of households in Uganda.

Financial wellbeing has become an area of concern to both academia and non-academic since it is the determinant of the standard of living among households of every country (Brüggen et al., 2017b).

Financial wellbeing is important because it helps to improve individual’s livelihood in a community or society (Brüggen et al., 2017b). Financial well-being refers to the subjective evaluation of one's financial well-being comprehensively. Furthermore, if one has a positive financial well-being perception, one is assured of one’s financial efficacy. While we agree that these two concepts can be related, they denote different things.

The definition of financial well-being is more incorporating, containing someone's current valuation of his/ her happiness as well as his/her capability to finance the preferred life in the current and the forthcoming and not ignoring peace of mind as well. While financial well-being is not limited to developed countries, the term's meaning is quite different for developing countries. The government has not done enough for its citizens, as a large part of the population struggles on their own to make ends meet.

Financial wellbeing can help one to make a choice to finance his/her current and future obligations. (Households, 2023; Kumar and Kakkar, 2023). Financial well-being is the foundation on which so many other aspects of a family’s life are built as stipulated by international and national initiatives such as Sustainable Development Goals (2030), National Development Plan III and Uganda Vision 2040. More so (Sukumaran, 2021) noted that it also helps to improve the confidence, emotion and knowledge that enable people to take healthier decisions. Financial Well-being has positive implications on educational achievement, contributes to better health outcomes and builds a stronger community for all nations worldwide (Copur, 2019).

Brüggen et al. (2017a) defines financial well-being as the perception of being able to sustain present and predicted desired standard of living and financial freedom. Financial well-being has been studied in different academic fields, such as economics, financial counselling and planning, development psychology, consumer decision making and services marketing. The financial well-being concept is extensively used in many types of research. However, due to its extensive perception, there is no uniformly agreed definition or measurement and no clarity with regard to its conceptualization and even its components (Magli et al., 2021).

The objective scale of economic statuses is measured using economic status like income, consumption, wealth, and assets. Scholars like Sukumaran (2021), Info et al. (2021), Mendelson, (2021) have helped in the operationalization and measurement of financial wellbeing. In many cases, previous studies have included financial wellbeing as one of their major variables of interest. Such studies have developed and used various measures of financial well-being although, the existing definitions and measures can be described into three categories in terms of their approach, that is to say those that use both objective and subjective characteristics, or those that use either objective or subjective characteristics to define financial well-being. Meanwhile in the first category, financial well-being is defined as an objective (quantitative) and subjective (qualitative) concept that contributes to a person's assessment of his/her current financial situation. It is treated as a composite concept that consists of both objective and subjective dimensions as stated by Sukumaran (2021). Additionally FWB is considered as an important element of good life and is used as a pointer of quality of life (Diener et al, 1999; Agabalinda et al., 2020).

Hong and Swanson (1995) provide three measures of financial well-being: household income, adequacy of emergency fund, and debt-to-income ratio. Johnson and Widdows (1995) emphasized the emergency fund requirement as an objective measure of financial wellbeing. Net worth as an objective measure of financial well-being is examined by Greenwood and Wolff (1988), Radner (1989), and Hurd (1990). Net worth is the true financial situation measured by total assets less total liabilities at a point of time. Hayhoe, (1990) advocated for subjective measure of financial wellbeing and views financial wellbeing as individuals' perception of satisfaction with their financial situation.

Kratzer (1991) viewed financial wellbeing using satisfaction with the financial situation. CFPB (2015) defined financial wellbeing as a state of being wherein the individual or household has control over day-to-day finance, has the capacity to absorb financial shock, is on track to meet the financial goals and has the freedom to exercise choices in enjoyment of life (Kumar & Kakkar, 2023). Therefore, this was based on both objective and subjective indicators as pointed out below to measure financial wellbeing like cash flow management (CLM) and Quality of life (QOL) or standard of living (SOL) through income, saving, investment, liquidity, expenses and debt in brief.

Cash flow management is very critical for the financial health of the household. It is the foundational core of financial planning. The current financial status of an individual or family is always the starting point for determining the financial goal of the individual/family. Cash inflows for households are normally fixed and regular because of budget contracts (Gedminiene & Visockaoite, 2016). Furthermore, cash flow is the difference between cash inflows and outflows (Pablo, 2006). In a strict sense, it is the money coming into the household and the money going out of it. In a household, cash flows can come from a number of sources. Cash inflows generally include salaries, interest from savings accounts, dividends from investments, capital gains from the sale of financial securities like stocks and bonds, passive cash inflows from rental houses etc. Cash outflow represents all expenses, regardless of size and these include rent or mortgage payments, utility bills, groceries, fuel, entertainment (Akeny & Mwesigwa, 2021). Cash flow management and budgeting assistance Vendors provide online platform with digital tools including financial and savings calculators and budgeting guidance (Financial & Strategy, 2024; Personal & Archive, 2024; Totolo et al., 2024).

Additionally, CFM refers to both the cash inflow and cash outflow on the income majorly, whereas quality of Life is a concept with a complex and multiple history that incorporates perspectives from psychology, politics, economics and philosophy (Osman et al., 2018). QOL was established as an area of study in sociology and social policy from the second half of the last century by researchers like Andrews and Withy; Campbell, and Flanagan (2017) who formed part of the Social Indicators movement (now represented by the international network ISQOLS). A couple of decades later QOL was adopted by health scientists and psychologists and defined in terms of peoples' perception of their health status, effectively becoming Health-Related.

Cash management is defined as the financial practices for allocating and distributing income to living expenses and achieving financial goals (Porter & Thomas Garman, 1993).

Income is composed of earnings from productive activities and transfers. It is customary to distinguish four main components in the measurement of income: wage income from labour services, rental income from the supply of land, capital, or other assets, self-employment income and current transfers from government or non-government agencies, or other households. Income leads to saving which saving leads to investment and this investment will amount to liquidity hence improved financial wellbeing (Comerton-Forde et al., 2022).

2.3 Financial Inclusion

Alliance for Financial Inclusion (2021) defines financial inclusion as "a state in which all people who can use and have access to full suite of quality financial services are provided at affordable prices, in a convenient manner, and with dignity for the customer" (Info et al., 2021). Additionally, World Bank (2021) defines financial inclusion as having "access to a transaction account or an electronic instrument to store money, send payments and receive deposits." It is because financial markets are the heart of the economy that can contribute to the financial well-being of society through products and services that are beneficial to society. As per this definition, it captures all categories of people, for example to overcome poverty by households, financial institutions play a very big role in allowing households to access financial services. Conditions through the Financial Services Authority encourage increasing levels of knowledge, behaviour, and financial inclusion to improve the well-being of the community (Tong, 2017). In order for a household to have an income to meet his or her necessities of life and improve their financial well-being, he or she has to work. However, the definition of financial inclusion is not yet agreed upon by academics (Initiative & Europe, 2024; Assessment et al., 2024; Inclusion, 2024; Investment & Scale, 2024).

Research conducted by Kim found out that credit and debt management programmes can directly cope with events that can complicate individual financial conditions and indirectly affect one's financial well-being. Households that are better placed and have positive financial inclusion more often have a higher level of financial well-being because they implement financial inclusion well to increase their finances (Selvia et al., 2021). This also agreed with studies carried out by previous scholars such as Sukumaran, 2021; Info et al., 2021; Mendelson, 2021).

Kempson et al. (2017) state that the regression results are significant for financial well-being to exit being influenced by individual financial inclusion and have control over their financial aspects to manage their finances very well. Financial institutions do provide financial services to households to help them improve on their financial well-being by providing loans. Zemtsov and Osipova (2016) state that financial well-being is influenced by financial inclusion and the flow of income generated from assets. Thus, someone must have the ability to develop their assets to improve their financial well-being.

Financial inclusion can help households have access to finances from financial institutions to improve their livelihood through financial wellbeing. The study explains that individuals with high levels of financial inclusion influence their financial well-being. Access or availability of suitable and affordable financial products and services such as bank accounts, insurance, and credit has a positive effect on financial well-being (Muir et al., 2017). Financial inclusion can enable individuals to overcome financial instability, making it easier to carry out daily activities. Research conducted by Muir et al., (2017) shows that people with lower financial inclusion levels have worse financial well-being, among others. It is because an individual who makes fair use of financial inclusion can improve his financial well-being.

Research conducted by Zemtsov and Osipova (2016) states that the use of financial inclusion to generate income from owned assets affects one's financial well-being. Thus, a person must have the ability to develop their assets to improve their financial well-being. This is also in line with the Financial Services Authority, which says people who use financial products and services must carry out good financial management and develop their assets to create a prosperous society (Oton , 2017).

The consumer theory can determine financial inclusion. Financial inclusion is the ability by individuals to have access to and use all basic financial services or products such as savings, credit, payments and insurance (Bank, 2020). You can have literacy, knowledge and skills but when you cannot have access to finances, you cannot consume goods and services. Therefore, this variable helps households or consumers to acquire the goods and services they need. Consumption will push an individual to have access to finances and do the saving hence financial inclusion derived from consumer theory. Financial inclusion directly or indirectly relates to financial well-being (Xiao, 2015).

Access, usage, quality and welfare are the key indicators that have been used in measuring financial inclusion in different studies (World Bank, 2021; Shapoval et al., 2021; Ekadjadja, 2021). Other indicators that may also be used in measuring financial inclusion include accessibility, affordability and availability to mention but a few. However, in my study I measured FI using access, usage, accessibility and affordability. Access in this case means individuals with an active account in their own name with either one financial service provider or more in the formal and informal sector. Such basic financial services or products are savings, credit, payments and insurance. It may also involve individuals who may have access to financial services but do not have their own account but they end using someone else or family account (Okello & Munene, 2019). This can be measured by which financial products and services by customers ‘physical ability to reach a service centre easily, for example, going to ATM bank (Okello & Munene, 2019). Additionally, access to finance generally refers to the availability of supply of quality financial services at a reasonable cost (Claessens and Tzioumis, 2006). However, depending on what one considers to be ‘quality’ services and ‘reasonable’ costs, the measurement of access to finance may need to be altered (Arinaitwe & Mwesigwa, 2015).

Usage -- this is measuring the actual use of an account in one’s own name and/or through someone else’s account (indirect usage) with either the formal and informal sector. It means the frequency and mechanisms of using an account in any financial institution as a way of accumulating savings, lending, making payments and transferring remittances; in other words customer activity engagement (Shapoval et al., 2021). Accessibility is a situation where an individual has easy, quicker and faster bulky cash which is affordable from financial institution.

World Bank (2020) postulated that the notion of financial inclusion (FI) be advanced through its four dimensions: access, usage, quality and welfare of financial services. Accordingly, Selvia et al. (2021) pronounce that measurement of FI should be able to monitor levels of FI and, secondly, deepen understanding about factors that associate with FI that enable the testing of hypotheses between FI and other variables. These studies argued that FI is often measured through the above dimensions such as access, quality, usage and welfare among others.

According to annual reports and financial statements of 2020, despite the challenges of Covid 19, banks such as DFCU, Centenary Bank and Stanbic Bank, to mention but a few, show that they gained growth in their banking sector. This was because financial services have been extended to various households through financial inclusion by banks. Sustained growth of total assets by these banks is an indication that financial inclusion has been spread by the banks. This was also achieved because of the Banks' digital transformation strategy with innovation – for example mobile money and mobile banking. Thus one can operate anywhere and anytime (Bank, 2020).Financial inclusion has developed as a policy of importance in countries such as South Africa and India, where large sectors of the population lack access to basic financial services like a bank account. Such countries provide people who are financially excluded with adequate and accessible services seen as an effective way to provide more equitable outcomes within the economy. However, in developed economies, most people already have access to basic financial products like a bank account. Australia can be example of this where high levels of bank account have access in the wider population globally with only an estimated 0.9% of people not having access to a bank account.

Additionally, the need to promote financial deepening while addressing access and quality issues is still lacking. In the same regard, there is an effort towards expanding financial services data and measurement which will provide more accurate information to guide the process of addressing the individual consumer needs towards achieving higher levels of financial inclusion in Uganda (Copur, 2019). Okello and Munene, (2019) conducted a study on Financial Inclusion of the Poor in Developing Economies in the Twenty-first Century: Qualitative Evidence from Rural Uganda. The findings revealed that suitable initial account opening fees, minimum deposit requirement, limited eligibility requirements, permanence of use, depth of financial services and products, relevance of financial services/products in terms of convenience, flexibility, reliability, continuity, safety, dignity of treatment (clients' protection), and welfare improvement are important determinants of financial inclusion of the poor in developing economies, especially in rural Uganda.

Katoroogo, (2016) carried out a study on Behavioural Determinants of Financial Inclusion in Uganda. The study examined the personal and societal capabilities that influence financial inclusion of individual financial consumers. The study results revealed that financial self-efficacy, financial literacy, social networks and the interaction of the personal and societal capabilities significantly contributed to an individual's financial inclusion across the two regions. The results also revealed that the personal and societal capabilities independently and when combined, contribute towards an individual's financial self-efficacy.

Okello et al. (2017) carried out a study on 'Financial literacy in emerging economies: Do all components matter for financial inclusion of poor households in rural Uganda?' The results generated from the study revealed that only attitude as a component of financial literacy significantly and positively predicts financial inclusion of poor households in rural Uganda.

Moreover, a study by Zemtsov and Osipova(2016) states that financial well-being is influenced by financial inclusion and the flow of income generated from assets. Thus, someone must have the ability to develop their assets to improve their financial well-being. From this research, it can be concluded that a person needs to have financial management skills and the ability to invest and have financial resilience. Therefore, financial inclusion plays a vital role in building a strong foundation of a country's financial infrastructure, facilitating economic growth and development. The Absence of financial inclusion may lead to financial blindness and the emergence of a muddled financial sector, such as Indigenous banking, which is highly exploitative (Selvia et al., 2021).

Truc and Nguyen (2020) postulate that financial inclusion is an endeavor that makes it possible for people to quickly, adequately, and affordably use formal financial services that are readily available, especially for those who are financially vulnerable, as cited by Kampumure et al. (2023) in 'The Ugandan' (2023). This study aimed to examine the impact of financial inclusion (financial affordability, accessibility, and usage) on the financial well-being of households in Uganda to determine whether financial inclusion could impact financial well-being.

The study argued that financial inclusion positively affects financial wellbeing:

i. Affordability positively affects the financial well-being of households in urban Uganda.
ii. Accessibility positively affects the financial well-being of households in urban Uganda.
iii. Usage positively affects the financial well-being of households in urban Uganda.

3.0 Methods and Materials

The study here employed the use of a cross-sectional research design to establish the hypotheses generated under the investigation. Also, it is because cross-sectional research design makes it easier to collect data at one point in time (UBOS, 2014). The survey population in this situation included categories of households from the age of 18 and above; however, household members below 18 years were included in the study to establish whether they understood and knew anything to do with finances or financial well-being in urban rich and urban poor in Wakiso, Kampala and Mukono districts in central Uganda which majorly comprised 4,123,727 respondents as a target population in the selected region, reflecting 400 sample size according to Yamane and Analysis (1973) formula. This study used primary data that was dominated by quantitative and supported by qualitative data which was scientific in nature

(UBOS, 2014;UBOS, 2019; Uganda Bureau of Statistics, 2021). Purposive sampling was also applied to arrive at demographic profiles of key informants.

Accordingly, in this study, the target population involved 4,123,727 households located in Central region of Wakiso, Kampala and Mukono districts of Uganda (UBOS, 2014). These three districts in Central region were selected because they had a high rate of financial transactions, including fintech usage, also they were highly urbanized and characterized with highly urban rich and urban poor locations that enjoy high and low levels of financial wellbeing. Additionally, these districts are growing towns with the largest number of households in Uganda and attraction sites like Namugongo shrines with employment opportunities particularly during Uganda Martyrs day, the third of June every year. In addition, it is a low cost areas in terms of access to facilities infrastructures, among others. In this study, an assessment of geographical areas was considered essential because the study was undertaken in Wakiso, Kampala and Mukono districts in central region that represent the urban higher income sector and urban poor of central as well. The region has availability of most household's infrastructures, formal financial service providers, for example, commercial banks and insurance companies, social values and practices in terms of beliefs and customs. Therefore this contributed to the households' abilities and financial wellbeing in this region as compared to other parts of the country. This has always helped to improve financial wellbeing of some households particularly on of the third of June every year.

The sampling method used was stratified sampling to select households in urban areas. The responses were anchored onto a five-point Likert scale of 5 – strongly disagree, 4 – disagree, 3 – not sure, 2 – agree and 1 – strongly agree, in order to maintain consistency. This is applied due to its simplicity, balance, statistical properties, and consistency, making it a widely accepted and effective tool for measuring attitudes and opinions in survey research. The 5-point Likert scale was applied by previous scholars like Okello et al., 2019; Katoroogo, 2016; Nakyune, 2016). The five-point Likert scale is a standardized measurement tool, making it easier to compare results across different studies and populations.

Data were collected at the single period in time which is referred to as a cross0sectional survey design, concentrating on the same sample units of a population thus households at the same time. Therefore, the primary data on all concepts or constructs were collected through face-to-face interviews with the respondents selected. Data was collected over a period of three (3) months.

Additionally, this study adopted critical realism research philosophical paradigm to examine how the poor were financially included into access to and usage of basic financial services provided by the mainstream financial service providers in developing economies like Uganda with the data obtained from urban rich and urban poor households. Therefore, the sample size was 400 from the general population of 4,123,727 as determined by Yamane (1973) formula n= N/1 + N (e) 2 where n was the sample size, N is the total population and e was the tolerable error. Therefore N was 4,123,727 and e was 0.5% so n was 400. Therefore when (e) 2=0.5% = 0.0025 and N =4,123,727, n= 4,123,727 /1+4,123,727 (0.5)2 =4,123,727 /5020=399.9=400.

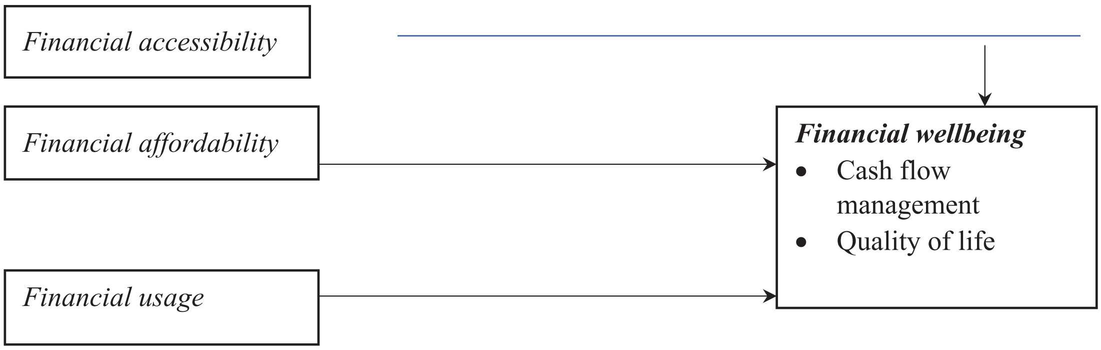


Figure 1: Conceptual Framework Financial Inclusion and Financial Wellbeing

3.1 Reliability and Validity of the Study

The researcher performed a reliability test using SPSS to determine Cronbach's Alpha to guarantee that the data collection instrument could gather reliable data. The results are in Table 1. The Cronbach alphas in Table 1 were above the recommended reliability of .70, as suggested by Amin (2005). This meant that the instrument used for the data collection could consistently collect data for both independent and dependent variables. Therefore, the findings were reliable as expected.

Table 1: Reliability and Validity of the Study

Financial Inclusion	**Cronbach's Alpha**	**Composite Reliability**	**AVE**	**VIF**
Accessibility	.893	.926	.757	2.272
Affordability	.851	.900	.693	1.986
Usage	.906	.924	.606	1.776
Financial Wellbeing				
Cash-flow Management	.865	.900	.601	1.759
Quality Of Life	.887	.923	.752	1.480
AVE - Average Variance Extracted				
VIF- Variance Inflation Factor				

Similarly, in Table 1 above, the composite reliability for all the variables was above .70, as recommended. Moreover, the results in Table 1 above also show that both at EFA and CFA for all the study variables, financial inclusion (accessibility, affordability, and usage) and financial well-being (Cash-flow Management and Quality Of Life) encountered the cut-off point of 0.700 and above. This means that the study instrument was reliable to be used for the study generally.

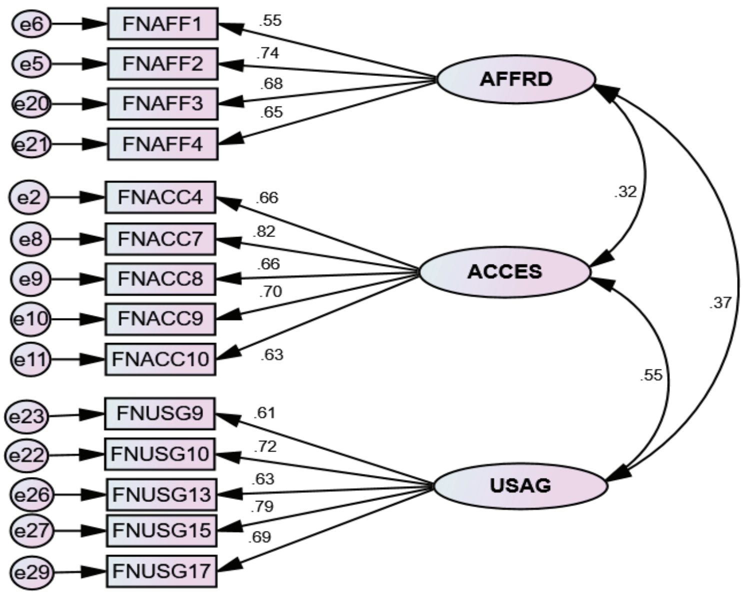
4.0 Results of the study

4.1 Confirmatory Factor Analysis (CFA) *for the study variables*

Table 2. Model Fit thresholds/ Indices

Indices	**Model Fit Estimate Thresholds**
Chi-square	> 1.000
Incremental Fit Index	> .900
Tucker Lewis Index	> .900
Comparative Fit Index	> .900
Root Mean Squared Error of Approximation (RMSEA)	< .080

Figure 2: CFA for *Financial Inclusion*



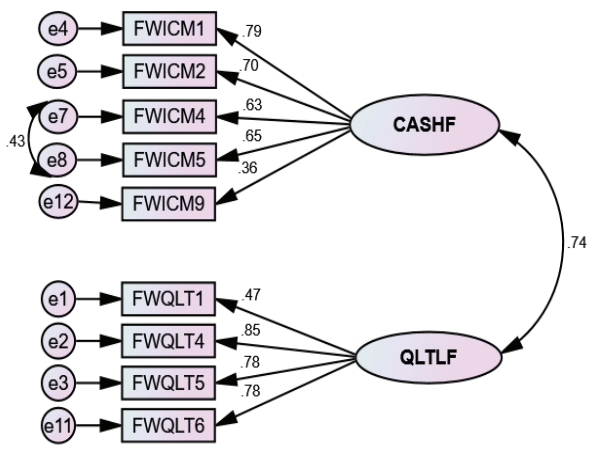
Chi-square = 102.556; Degree of Freedom(DF) = 74; Probability (P) = .016
Incremental Fit Index (IFI) = .968 ;Tucker Lewis Index (ITL) = .960
;Comparative Fit Index (CFI) = .968
;Root Mean Square Error of Approximation (RMSEA) = .044;

Table 4.1 CFA Standardized Model Estimates for Financial Inclusion

			B	S.E.	C.R.	*p*
FNACC7	◄▬	ACCES	.817			
FNACC4	◄▬	ACCES	.664	.087	9.201	***
FNACC8	◄▬	ACCES	.663	.090	9.182	***
FNACC9	◄▬	ACCES	.704	.084	9.791	***
FNACC10	◄▬	ACCES	.626	.076	8.619	***
FNAFF1	◄▬	AFFRD	.553			
FNAFF2	◄▬	AFFRD	.737	.194	6.457	***
FNAFF3	◄▬	AFFRD	.676	.195	6.261	***
FNAFF4	◄▬	AFFRD	.649	.207	6.138	***
FNUSG13	◄▬	USAG	.630			
FNUSG10	◄▬	USAG	.723	.172	8.012	***
FNUSG9	◄▬	USAG	.605	.173	7.013	***
FNUSG15	◄▬	USAG	.786	.181	8.437	***
FNUSG17	◄▬	USAG	.693	.155	7.770	***
*** *p* <.01						

Financial inclusion was measured in terms of access, usage, accessibility and affordability of financial services. CFA confirmed and retained the four constructs and five items were retained for access, five for usage, four for affordability and four for accessibility with the observed variable of financial inclusion as shown in Figure 1. The results indicated a good model fit (Chi-square = 177.898, Df= 129, p= .003; IFI=.961, TLI=.953, CFI=.960; RMSEA=.044). The results in Table 4.1 show that the standardized parameter estimates for all the retained items for financial inclusion were statistically significant.

Figure 3: CFA Financial Wellbeing



Chi-square = 38.113; Degree of Freedom(DF) = 25; Probability (P) = .045
Incremental Fit Index (IFI) = .981 ;Tucker Lewis Index (ITL) = .972
;Comparative Fit Index (CFI) = .981
;Root Mean Square Error of Approximation (RMSEA) = .051;

Table 4.2 CFA Standardized Model Estimates for Financial Wellbeing

			β	S.E.	C.R.	*P*
FWQLT1	◄▬	QLTLF	.468			
FWQLT4	◄▬	QLTLF	.849	.263	6.490	***
FWQLT5	◄▬	QLTLF	.776	.249	6.317	***
FWQLT6	◄▬	QLTLF	.777	.262	6.320	***
FWICM1	◄▬	CASHF	.790			
FWICM2	◄▬	CASHF	.701	.102	9.061	***
FWICM4	◄▬	CASHF	.628	.109	8.054	***
FWICM5	◄▬	CASHF	.654	.102	8.412	***
FWICM9	◄▬	CASHF	.361	.084	4.662	***
*** p <.01						

Financial wellbeing was measured in terms of cash flow management and quality of life. CFA confirmed and retained the two constructs, thus CFM and QOL, and five items were retained for cash flow management and four for quality of life with the observed variable of financial wellbeing as shown in Figure 2 and Tables 4.2. The results indicated a good model fit (Chi-square = 38.113; DF= 25; p= .045; IFI=.981, TLI=.972, CFI=.981; RMSEA=.051). The results in Table 4.14 shows that the standardized parameter estimates for all the retained items for financial wellbeing were statistically significant.

4.2 Relationships between the variables

Table 4.3. Pearson Correlations

	Mean	*SD*	1	2	3	4
Affordability-1	1.996	.550	1.000			
Accessibility-2	2.621	.827	.211**	1.000		
Usage-3	2.196	.749	.234**	.473**	1.000	
Financial Wellbeing	2.395	.815	.137	.404**	.396**	1.000
**. Correlation is significant at the 0.01 level (2-tailed).						

Here the Pearson correlation analysis was executed since the assumptions for parametric checks were encountered in order to inspect relations amongst the study variables. The results confirmed linear relations between financial inclusion (affordability, accessibility, usage and financial wellbeing and **. Correlation is significant at the 0.01 level (2-tailed).

Structural Model

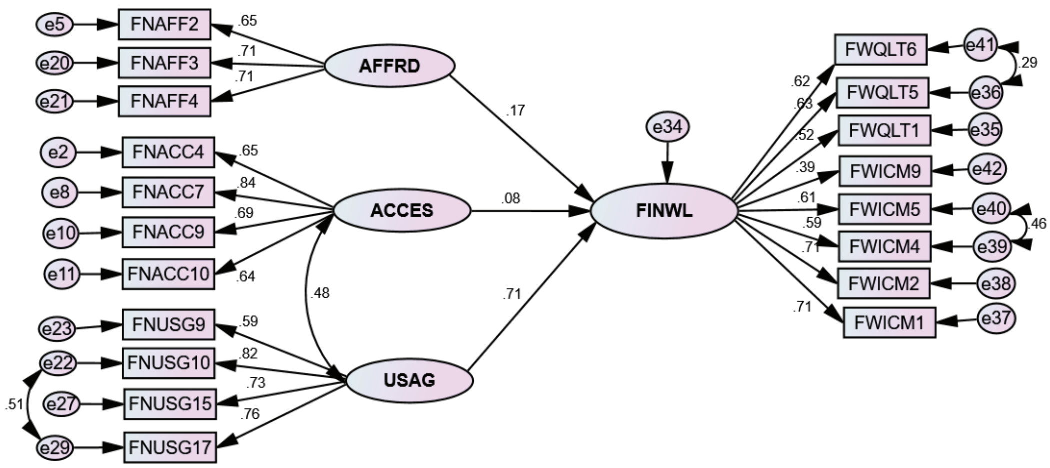
Table 4.4. Structural *Model* Estimates

			B	S.E.	β	C.R.	*P*	*Hypothesis Verdict*
FINWLL	◄▬	ACCES	.057	.059	.078	.978	.328	Not Supported
FINWLL	◄▬	USAG	.580	.083	.710	6.965	***	Supported
FINWLL	◄▬	AFFRD	.245	.105	.169	2.341	.019	Supported
*** p< .01								

Source: Analysis of quantitative data, 2023

The results show that accessibility, usage and affordability had a significance positive direct effect on the financial wellbeing and both usage and affordability were supported while accessibility was not supported.

Figure 4: Structural Model



Chi-square = 231.959; Degree of Freedom(DF) = 145; Probability (P) = .000
Incremental Fit Index (IFI) = .936 ;Tucker Lewis Index (ITL) = .923
;Comparative Fit Index (CFI) = .935
;Root Mean Square Error of Approximation (RMSEA) = .055;

Financial inclusion was measured in terms of usage, accessibility and affordability of financial services. CFA confirmed and retained the three constructs and five for usage, four for affordability and four for accessibility with the observed variable of financial inclusion as shown in Figure 3. The results indicated a good model fit (Chi-square = 177.898, DF= 129, p= .003; IFI=.961, TLI=.953, CFI=.960; RMSEA=.044). The results in Table 1 show that the standardized parameter estimates for all the retained items for financial inclusion were statistically significant.

H2. There is a relationship between financial inclusion and financial wellbeing (supported)

The results designate a positive and significant relationship between financial inclusion and financial well-being (β=0.401, *p* values < 0.05). The results support H2.

5.0 Discussion of Study Results

5.1 Financial Inclusion (FI) and Financial wellbeing (FWB)

H2: There is a positive relationship between financial inclusion and financial wellbeing among the households in Uganda

Financial inclusion (FI) was represented by households' usage, accessibility, and affordability, which were applied to explain financial well-being. The combined effect of usage, accessibility, and affordability discovered a positive and significant influence on financial well-being. This, therefore, provided support for H2 that there is a positive relationship between financial inclusion and financial well-being among households in Uganda.

The findings are consistent with the reviewed literature following financial inclusion (usage, accessibility, and affordability) as a predictor of financial well-being, leading to a positive relationship. The robust and reliable results suggest that financial well-being is better explained and influenced when usage, accessibility, and affordability are combined into FI. In this regard, a household needs to have an evaluative decision of whether or not to use financial services as well as the ability to understand the basic financial concepts and products to achieve financial wellbeing. The study results are similar with those in Katoroogo's (2016) study on behavioral determinants of financial inclusion in Uganda. The study results revealed that financial self-efficacy, financial literacy, social networks, and the interaction of personal and societal capabilities significantly contributed to an individual's financial inclusion across the two regions. The results also further revealed that the personal and societal capabilities independently and when combined, contribute towards an individual's financial self-efficacy.

Moreover, the above findings also aligned with the research by Okello et al, (2019) who conducted a study on Financial Inclusion of the Poor in Developing Economies in the Twenty-first Century. The findings revealed that suitable initial account opening fees, minimum deposit requirement, limited eligibility requirements, permanence of use, depth of financial services and products, relevance of financial services/products in terms of convenience, flexibility, reliability, continuity, safety, dignity of treatment (clients' protection), and welfare improvement were important determinants of financial inclusion of the poor in developing economies, especially in rural Uganda. The results also confirmed access as a factor in determining financial inclusion of the poor. The findings from the study further provided empirical evidence on access, usage, quality/relevance, and welfare as the major determinants of financial inclusion of the poor based on their behaviour and actions grounded in the theory of human psychology.

Similarly, research by Selvia et al. (2021) The study showed that financial knowledge, behaviour, and inclusion had a positive effect on financial well-being as independent variables. However, the study did not base itself on any theory, leaving a theoretical gap to be addressed. The study also found that financial behaviour and inclusion mediate the influence of financial knowledge on financial well-being. Furthermore, the results of the study by Nayebzadeh et al. (2018) on university professors' financial literacy indicated a significant relationship between marital status and financial literacy and that university professors were financially illiterate.

However, this study's results confirmed accessibility, affordability, and usage as factors in determining the financial inclusion of the urban rich and urban poor. On the contrary, the findings did not support access and accessibility as the major determinants of financial inclusion of the urban and urban poor based on their behaviour. This study was supported by consumer theory.

In summary these findings were in line with previous scholars such as Katoroogo (2016), Okello and Munene (2019), Selvia et al. (2021), Setiyani and Solichatun (2019), Nayebzadeh et al. (2018), and Rai et al (2019)authors have presented an association of financial knowledge, financial behaviour and financial attitude towards the financial literacy level among working women in Delhi, India. The sample size of 394 working women from various public and private organizations of Delhi has been incorporated for the research. A structured questionnaire designed on a 5-point Likert scale has been used based on purposive sampling, and the goodness of fit is determined by analysis of moments structures (AMOS.

6.0 Conclusions

First and foremost, individuals representing the households are expected to play a significant role in achieving financial wellbeing. We noted that studies on financial well-being have given marginal consideration to the household's factors, specifically the financial inclusion qualities that influence the use of financial products and services and continuously lead to voluntary financial omission. Nevertheless, it is important to note that this financial inclusion is still essential in explaining financial well-being irrespective of differences in financial inclusion within any area.

This study's main purpose was to examine financial inclusion's impact on economic well-being among households in unindustrialized economies using data obtained from urban rich and urban poor in central Uganda. The results confirmed usage, accessibility, and affordability as factors in determining the financial inclusion of Uganda's rich and poor urban population. Overwhelmingly, the findings from this study provide an empirical indication of usage, accessibility, and affordability as the major determinants of financial inclusion of both the urban rich and urban poor based on their behavior, attitudes, and actions grounded in the theory of reasoned action. Additionally, this is evidence that financial inclusion of the urban rich and urban poor institutes usage, accessibility and affordability were included as the chief indicators in the study instrument used in the study.

Thus, governments and regulators of financial institutions in developing economies should ensure that the initial account opening fees are suitable for the economic condition and situation of the poor. They should consider setting up suitable and favourable initial account opening and maintenance fees to promote the financial inclusion of the poor. Also, the governments in developing economies through the central banks should work with the financial institutions to ensure that the terms and conditions set on the usage of financial services are favorable to the economic condition and situation of the needy. Certainly, financial institutions should continue providing financial services to the needy regularly without setting more harsh policies, especially on use of loans. Governments should advocate for mandatory disclosure, transparency, freedom of product choice, complaint handling and recourse, and consumer debt management. This will help the needy to derive value for use of essential financial services of their need. The study's objective was to examine the degree to which financial inclusion influenced financial well-being among households in Uganda.

Furthermore, government, development partners, and private service providers must support households in developing higher confidence levels in using financial products by enhancing confidence levels in cash flow management of finances and quality of life. This will enable households to make informed, effective, and sound financial decisions and utilize formal financial products and services, achieving improved economic well-being. This study was guided by consumer theory and the theory of reasoned action, which cover financial and financial well-being.

6.1 Theoretical and Managerial Implications

The current study adds to existing literature on financial well-being by indicating that only usage, accessibility, and affordability significantly affect the economic well-being of households in urban Uganda. The study revealed that these factors impact the financial well-being of households in urban Uganda. Similarly, the study results indicated that usage, accessibility, and affordability were significant predictors of financial inclusion in urban Uganda.

6.2 Limitations

The study employed only a cross-sectional research design, thus leaving out the longitudinal study. Therefore, future studies employing longitudinal research design are worth undertaking. Furthermore, although the sample was large enough, it focused only on households located in urban and peri-urban Uganda, therefore ignoring rural areas in Uganda. The study was limited to urban areas; future studies could explore rural areas. The study was limited to Uganda; hence, studies comparing it with other countries are suggested for future studies. Limited dimensions of financial inclusion were used; future studies can add more dimensions, such as Quality and Welfare.

References

Abdul, P., Ghafori, M., & Fid, D. G. (2019). *Financial Inclusion in Afghanistan*. *November*, 1–18.

Agabalinda, C., Vilard, A., & Isoh, N. (2020). *Moderating effects of social learning on the usage of formal financial services in Kampala , Uganda*. *12*(September), 120–129. https://doi.org/10.5897/JEIF2020.1043

Akeny, E., & Mwesigwa, D. (2021). *Personal cash flow and household investments : A survey among primary school teachers in Lira city , mid-north of Uganda*. *International Journal of Management and Commerce Innovations*, *9*(1), 79–92.

Alliance for Financial Inclusion. (2021). *National Financial Inclusion Strategy Monitoring and Evaluation Toolkit*.

Arinaitwe, A., & Mwesigwa, R. (2015). Improving credit accessibility among SME's in Uganda. *Global journal of commerce and Management Perspective*, *4*(6), 22-30.

Assessment, A. N., Digital, O. F., Inclusion, F., Micro, O. F., & Chaora, B. (2024). *Financial Inclusion Index Report An Assessment Of Digital And Traditional*.

Atkinson, A., & Overton, L. (2024). *Financial inclusion in the UK*.

Bank, W. (2020). *Digital Solutions in a*.

Banks, F., Deposit, S., Institutions, T., Houses, F., Institutions, B. F., & Providers, P. S. (2024). *BANK OF GHANA Financial Inclusion for Persons with Disabilities Directive*. *October*, 1–16.

Benjamin Chun-Kit Tong. (2017). The Effect of the Affordable Care Act Medicaid Expansions on Financial Wellbeing. *Physiology & Behavior*, *176*(5), 139–148. https://doi.org/10.1016/j.jpubeco.2018.04.009.The

Bongomin, G. O. C., Woldie, A., & Wakibi, A. (2020). Microfinance accessibility, social cohesion and survival of women MSMEs in post-war communities in sub-Saharan Africa: Lessons from Northern Uganda. *Journal of Small Business and Enterprise Development*, *27*(5), 749–774. https://doi.org/10.1108/JSBED-12-2018-0383

Brüggen, E. C., Hogreve, J., Holmlund, M., Kabadayi, S., & Löfgren, M. (2017a). Financial well-being: A conceptualization and research agenda. *Journal of Business Research*, *79*, 228–237. https://doi.org/10.1016/j.jbusres.2017.03.013

Brüggen, E. C., Hogreve, J., Holmlund, M., Kabadayi, S., & Löfgren, M. (2017b). Financial well-being: A conceptualization and research agenda. *Journal of Business Research*, *79*, 228–237. https://doi.org/10.1016/j.jbusres.2017.03.013

Cantú, C., Frost, J., Goel, T., & Prenio, J. (2024). *BIS Bulletin health*. *85*.

Cevik, S. (2024). *Fintech and Financial Inclusion*.

CFPB. (2015). Financial Well Being: The Goal of Financial Education. *Consumer Financial Protection Bureau*, *January*, 48. http://files.consumerfinance.gov/f/201501_cfpb_report_financial-well-being.pdf

Comerton-Forde, C., de New, J., Salamanca, N., Ribar, D. C., Nicastro, A., & Ross, J. (2022). Measuring Financial Wellbeing with Self-Reported and Bank Record Data*. *Economic Record*, *98*(321), 133–151. https://doi.org/10.1111/1475-4932.12664

Copur, Z. (2019). Economic , Sociological , and Psychological Factors of the Saving Behavior : Economic , Sociological , and Psychological Factors of the Saving Behavior : Turkey Case. *Journal of Family and Economic Issues*, *0*(0), 0. https://doi.org/10.1007/s10834-018-09606-y

Demirgüç-Kunt, A., & Klapper, L. (2013). Measuring financial inclusion: Explaining variation in use of financial services across and within countries. *Brookings Papers on Economic Activity*, *340*(SPRING 2013), 279–321. https://doi.org/10.1353/eca.2013.0002

Deshpande, O. R., & Koning, A. (2024). *Young Women and Financial Inclusion : What Works*. *October*.

Diop, T., Ibrahim, F., Lo, J. M., Tian, H., Yang, D., Widener, M., & Spicer, J. (2023). *Increasing Meaningful Financial Inclusion in Rwanda : October*.

Financial, N., & Strategy, I. (2024). *Fixing Financial Exclusion across the Four Nations*. *June*.

Fu, J. (2020). Ability or opportunity to act: What shapes financial well-being? *World Development*, *128*. https://doi.org/10.1016/j.worlddev.2019.104843

Goals, S. D., & Affairs, S. (2024). *Remarks at the Inclusive Finance for Development: 15 Years of Impact Hosted by United Nations Secretary-General's Special Advocate for Inclusive Finance for Development, "What Gets Measured Gets Managed," on September 25, 2024*. 4–6.

Households, U. S. (2023). *Economic Well-Being of*. *May*.

Inclusion, S. F. (2024). *FINANCIAL ACCESS SURVEY*.

Info, A., On, R., On, R., On, A., Print, I., & Online, I. (2021). *The level of financial inclusion in Ukraine : Measuring access , quality , and usage of financial products and services*. https://doi.org/10.21511/bbs.16(2).2021.06

Initiative, U. F., & Europe, R. B. (2024). *Setting your financial health and inclusion targets*.

Investment, M., & Scale, A. T. (2024). *ACCELERATING IMPACT*.

Jamal, A. A. A., Ramlan, W. K., Karim, M. A., RosleMohidin, & Osman, Z. (2015). The Effects of Social Influence and Financial Literacy on Savings Behavior: A Study on Students of Higher Learnfile:///C:/Users/sexy7278/Desktop/Acedemics/semester 7/Thesis/product/data/Marked/IJOL-2018-0017.pdfing Institutions in Kota Kinabalu, Sabah. *International Journal of Business and Social Science*, *6*(111), 110–119.

Kamakia, M. G., Mwangi, C. I., & Mwangi, M. (2017). Financial Literacy and Financial Wellbeing of Public Sector Employees: A Critical Literature Review. *European Scientific Journal, ESJ*, *13*(16), 233. https://doi.org/10.19044/esj.2017.v13n16p233

Katoroogo, R. M. (2016). Behavioural determinants of financial inclusion in Uganda. *(Ph.D. Dissertation). University of the Witwatersrand. Johannesburg, South Africa*, *939600*, 1–301.

Kempson, E., Finney, A., & Poppe, C. (2017). Financial well-being A Conceptual Model and Preliminary Analysis. *Consumption Research Norway - Sifo*, *August*, 3–75.

Kumar, U., & Kakkar, R. (2023). *Relationship Between Financial Wellbeing and Personal Wellness: A Structural Equation Modelling*. *Journal of Family and Economic Issues*, *11*(2), 340–348.

Levin, J., & Milgrom, P. (2004). *Consumer Theory*. *1*, 1–33.

Lind, T., Ahmed, A., Skagerlund, K., Strömbäck, C., Västfjäll, D., & Tinghög, G. (2020). Competence, Confidence, and Gender: The Role of Objective and Subjective Financial Knowledge in Household Finance. *Journal of Family and Economic Issues*, *41*(4), 626–638. https://doi.org/10.1007/s10834-020-09678-9

Magli, A. S., Sabri, M. F., Rahim, H. A., Magli, A. S., & Sabri, M. F. (2021). *Review of The Factor Influencing and Measurements of Financial Well-Being Review of The Factor Influencing and Measurements of Financial Well-Being*. *1*(19), 310–326. https://doi.org/10.6007/IJARBSS/v11-i19/11739

Margarita Ekadjadja, P. L. I. R. S. (2021). Determinants of Financial Well-Being Among Young Workers in Jakarta During the Covid-19 Pandemic. *Jurnal Ekonomi*, *26*(2), 295. https://doi.org/10.24912/je.v26i2.752

Mendelson, B. S. (2021). *The Financial Inclusion Compass 2021*.

Mokhtar, N. (2019). *Determinants of Financial Well-Being among Public Employees in Putrajaya , SOCIAL SCIENCES & HUMANITIES Determinants of Financial Well-Being among Public Employees in Putrajaya , Malaysia*. *May*.

Mugambe, P. (2024). *Financial Inclusion and Financial Satisfaction among Finance Post-graduate Students at a Management Development Institute in Uganda*. *24*(2), 46–70.

Muir, K., Hamilton, M., Noone, J. H., Marjolin, A., Salignac, F., & Saunders, P. (2017). Exploring Financial Wellbeing in the Australian Context. *Centre for Social Impact & Social Policy Research Centre - University of New South Wales Sydney, for Financial Literacy Australia*, 1–58. http://www.csi.edu.au/media/Exploring_Financial_Wellbeing_in_the_Australian_Context_Final_Report.pdf

Naceur, S. Ben, Candelon, B., & Mugrabi, F. (n.d.). *© International Monetary Fund . Not for Redistribution*.

Nation, A. D. (2024). *FINANCIAL INCLUSION REPORT 2024 A DIVIDED NATION*.

Nayebzadeh, A., Wang, Y., Tabkhi, H., Shin, J., & Peles, Y. (2018). *International Journal of Multiphase Flow Cavitation behind a circular micro pillar*. *98*, 2017–2019.

Netemeyer, R. G., Warmath, D., Fernandes, D., & Lynch, J. G. (2018). How Am i Doing? Perceived Financial Well-Being, Its Potential Antecedents, and Its Relation to Overall Well-Being. *Journal of Consumer Research*, *45*(1), 68–89. https://doi.org/10.1093/jcr/ucx109

Okello Candiya Bongomin, G., Munene, J. C., & Yourougou, P. (2020). Examining the role of financial intermediaries in promoting financial literacy and financial inclusion among the poor in developing countries: Lessons from rural Uganda. *Cogent Economics and Finance*, *8*(1), 1–21. https://doi.org/10.1080/23322039.2020.1761274

Okello Candiya Bongomin, G., Ntayi, J. M., Munene, J. C., & Nabeta, I. N. (2016). Financial Inclusion in Rural Uganda: Testing Interaction Effect of Financial Literacy and Networks. *Journal of African Business*, *17*(1), 106–128. https://doi.org/10.1080/15228916.2016.1117382

Okello, G., Bongomin, C., & Munene, J. C. (2019). Financial Inclusion of the Poor in Developing Economies in the Twenty-first Century : Qualitative Evidence from Rural Uganda Financial Inclusion of the Poor in Developing Economies in the Twenty- fi rst Century : Qualitative Evidence from Rural Uganda. *Journal of African Business*, *00*(00), 1–20. https://doi.org/10.1080/15228916.2019.1646601

Okello, G., Bongomin, C., Munene, J. C., Ntayi, J. M., & Malinga, C. A. (2017). *Financial literacy in emerging economies Do all components matter for financial inclusion of poor households in rural Uganda ? 43*(12), 1310–1331. https://doi.org/10.1108/MF-04-2017-0117

Osman, Z., Madzlan, E. M., & Ing, P. (2018). In Pursuit of Financial Well-being: The Effects of Financial Literacy, Financial Behaviour and Financial Stress on Employees in Labuan. *International Journal of Service Management and Sustainability*, *3*(1). https://doi.org/10.24191/ijsms.v3i1.8041

Oton Parcia, R. (2017). Employees' Financial Literacy, Behavior, Stress and Wellness. *Journal of Human Resource Management*, *5*(5), 78. https://doi.org/10.11648/j.jhrm.20170505.12

Oyinpreye, T., & Ph, A. (2024). *Financial Inclusion and Nigeria ' s Economic Performance*. *12*(3), 68–79.

Personal, M., & Archive, R. (2024). *Mp r a*. *121527*.

Porter, N. M., & Thomas Garman, E. (1993). Testing a conceptual model of financial well-being. *Journal of Financial Counseling and Planning*, *4*(803), 135–164.

President, T., Growth, G., & Gates, M. (2024). *Nigeria will attain 95 % Financial Inclusion by 2024 — Godwin Emefiele*.

Puli, L., Layton, N., Bell, D., Shahriar, A. Z., Puli, L., Layton, N., Bell, D., Shahriar, A. Z., Puli, L., Layton, N., & Bell, D. (2024). Financial inclusion for people with disability : a scoping review Financial inclusion for people with disability : a scoping review. *Global Health Action*, *17*(1). https://doi.org/10.1080/16549716.2024.2342634

Rai, K., Dua, S., & Yadav, M. (2019). Association of Financial Attitude, Financial Behaviour and Financial Knowledge Towards Financial Literacy: A Structural Equation Modeling Approach. *FIIB Business Review*, *8*(1), 51–60. https://doi.org/10.1177/2319714519826651

Ray, R. (2018). Household Behaviour, Prices, and Welfare. In *Household Behaviour, Prices, and Welfare*. https://doi.org/10.1007/978-981-13-1930-3

Report, A. (2024). *G7 Partnership for Women ' s Digital Financial Inclusion in Africa ACCOUNTABILITY REPORT 2024 : October*.

Sabri, M. F., Wijekoon, R., & Rahim, H. A. (2020). The influence of money attitude, financial practices, self-efficacy and emotion coping on employees' financial well-being. *Management Science Letters*, *10*(4), 889–900. https://doi.org/10.5267/j.msl.2019.10.007

Selvia, G., Rahmayanti, D., Afandy, C., & Zoraya, I. (2021). *The Effect of Financial Knowledge, Financial Behavior and Financial Inclusion on Financial Well-being*. https://doi.org/10.4108/eai.3-10-2020.2306600

Setiyani, R., & Solichatun, I. (2019). Financial Well-being of College Students: An Empirical Study on Mediation Effect of Financial Behavior. *KnE Social Sciences*, *3*(11), 451. https://doi.org/10.18502/kss.v3i11.4026

Shapoval, Y., Shkliar, A., Shpanel-Yukhta, O., & Gruber, K. (2021). The level of financial inclusion in Ukraine: Measuring access, quality, and usage of financial products and services. *Banks and Bank Systems*, *16*(2), 59–67. https://doi.org/10.21511/bbs.16(2).2021.06

Solutions, I., Financial, F. O. R., & Based, I. (2024). *FINANCIAL INCLUSION LABORATORY 2024*.

Sukumaran, K. (2021). Financial Wellness and Covid-19. *Researchgate.Net*, *February*. https://www.researchgate.net/profile/Kana-Sukumaran/publication/349319201_FINANCIAL_WELLNESS_AND_COVID-19/links/602a834392851c4ed5732a94/FINANCIAL-WELLNESS-AND-COVID-19.pdf

Summary, W. (2025). *Strategies to Foster an Inclusive and Equitable Financial Landscape for Women*. *2025*(January 2024).

Tombini, A. (2024). *Promoting financial inclusion through technological innovation in the Americas*. *October*, 1–9.

Totolo, E., Mortimer-schutts, I., Rizzi, A., Rice, C., & Chakraborty, A. (2024). *The Role of Data Exchange in Financial Inclusion Lessons from Leading Markets and Emerging Policy Approaches*. *September*.

Tsai Wan-chi Chen Editors Family, M.-C. (2017). *Quality of Life in Asia: Family Work and Wellbeing in Asia*. http://www.springer.com/series/8416

UBOS. (2014). Uganda national population and housing census report: Population growth rates -non-household population and sex composition of the population. *Ubos*, 73.

UBOS. (2019). The Uganda National Household Survey. *Statistical Abstracts, 47, 56. Http://Www.*

Ubos.Org/Onlinefiles/Uploads/Ubos/Pdf Documents/Abstracts/Statistical Abstract 2019.Pdf.

Uganda Bureau of Statistics. (2021). *Uganda National Household Survey 2019/2020*. 387.

Ugandan, T. H. E. (2023). *The ugandan*. *24*(1).

World Bank. (2021). The Drive for Financial Inclusion : Lessons of World Bank Group Experience. *Independent Evaluation Group*, 1–34. http://www3.weforum.org/docs/WEF_The_Global_Covid19_FinTech_Market_Rapid_Assessment_Study_2020.pdf

Xiao, J. J. (2015). *Consumer Economic Wellbeing*. https://doi.org/10.1007/978-1-4939-2821-7_1

Yamane, T., & Analysis, M. R. (1973). ที มี การรั บรองในประเทศไทย Factors Influencing Fencer ' S Return to Participate in a Sanctioned Fencing Competition in Thailand. Academic *Journal of Thailand National Sports University, 8*.

Zemtsov, A. A., & Osipova, T. Y. (2016). Financial Wellbeing as a Type of Human Wellbeing: Theoretical Review. *European Proceedings of Social and Behavioural Sciences*. 385–392. https://doi.org/10.15405/epsbs.2016.02.49

The Ugandan Journal of Management and Public Policy Studies (UJMPPS)
December 2024, Vol. 25, No. 1, pp. 118-129
ISSN: 2078-7049 (Print), 2959-4316 (Online)

Published by Uganda Management Institute

State of the Underprivileged Population: A Case Study of Uganda

Nabukeera Madinah

Department of Politics and Public Administration, Kyambogo University

Corresponding e-mail: nabmadinah@gmail.com

Article History

Received: January 30, 2024
Revised: July 15, 2024
Accepted: August 04, 2024

Abstract

This study investigates disparities in poverty levels, the distribution of widows, the prevalence of working children, and the demographics of the elderly population across different regions in Uganda. Employing a descriptive research design with a quantitative approach, the study relies on secondary data sourced from published reports by the Uganda Bureau of Statistics (UBOS). Key findings indicate significant regional poverty-level variations between 2006 and 2017 ($F = 18.616$, $p < 0.05$). However, there were no significant differences in the number of working children across regions ($F = 0.818$, $p = 0.542$) or in the gender distribution of elderly individuals across various sectors (mean difference = 13.2%, $p = 0.3983$). Significant disparities were observed between rural and urban areas in terms of access to basic amenities: blanket ownership (mean difference = 27.4%, $p < 0.001$), shoe ownership (mean difference = 31%, $p < 0.001$), and the frequency of consuming three meals per day (mean difference = 17.6%, $p < 0.001$). The study concludes with recommendations for targeted poverty alleviation interventions, particularly in the northern and eastern regions of Uganda.

Keywords: *Underprivileged, Poverty, Widows, Children, Elderly, Uganda*

1.0 Introduction

Uganda has experienced fluctuating poverty rates, with some regions witnessing marked improvements while others struggle with deep-seated economic challenges. Poverty has notably increased in the eastern, western, and central areas, while significant reductions have been observed in the northern region, particularly in sub-regions like Karamoja. Despite economic growth in some areas, inequality has widened, especially in the wealthier western and central regions, where poverty rates are below 5%, compared to over 50% in less affluent areas.

Underprivileged populations are defined as groups that face systemic barriers to accessing resources due to factors such as ethnicity, race, gender, religion, sexual orientation, and geographic location. These populations often experience social exclusion, limited access to victim services, and disparities in the enjoyment of fundamental rights and living standards (Jarman, 1983; Shawky, 2018). Medically, underprivileged groups may include minorities, elderly individuals, urban slum dwellers, people with disabilities, and rural communities that lack adequate healthcare services (Jan Sundquist, Jarman, & Johansson, 1996; Jarman, 1984). Such populations face heightened risks of poverty, violence, and discrimination. They are often economically, socially, and educationally disadvantaged, with limited opportunities for upward mobility. Refugees, immigrants, and ethnic minorities frequently fall into this category due to systemic exclusion and denial of fundamental rights and privileges (Reinhardt, Löpker, Noack, Rosen, & Klein, 2009).

Globally, extensive research has examined the conditions of underprivileged populations, highlighting disparities in healthcare access, educational opportunities, and economic outcomes. For instance, Bhatia, Swami, and Kaur (2010) estimate that four million people living with HIV/AIDS in India lack sufficient support beyond essential treatment. In Sri Lanka, Wijetunga (2014) explored the digital divide, while Reshadat et al. (2020) examined health disparities among underprivileged populations in Iran. However, existing literature largely overlooks the specific context of Uganda, particularly in areas such as poverty disparities, widow distribution, child labour, and access to basic amenities.

Despite the global focus on underprivileged populations, Uganda presents a unique case where regional disparities are pronounced. The eastern, western, and central regions have experienced rising poverty levels, while the northern region has seen notable improvements. This divergence underscores the need for localized studies to understand the specific factors contributing to these disparities. While some regions in Uganda have benefited from poverty reduction efforts, others continue to experience high poverty rates and limited access to essential services. The disparity is most pronounced between rural and urban areas and among different regions, with the northern and eastern regions remaining particularly vulnerable. Understanding these disparities is crucial for developing targeted interventions to address poverty and improve living conditions for underprivileged populations. The study was guided by the following alternative hypotheses:

Ha_1: There is a significant difference in poverty levels between different regions in Uganda.

Ha_2: There is a significant difference in the distribution of widows between different regions in Uganda.

Ha_3: There is a significant difference in the number of working children between different regions in Uganda.

Ha_4: There is a significant difference in the proportion of elderly people distributed by gender across various sectors in Uganda.

Ha_5: There is a significant difference in blanket ownership between rural and urban areas in Uganda.

Ha_6: There is a significant difference in possessing at least two sets of clothes between rural and urban areas in Uganda.

Ha_7: There is a significant difference in shoe ownership between rural and urban households in Uganda.

Ha_8: There is a significant difference in the frequency of consuming three meals per day between rural and urban areas in Uganda.

2.0 Methodology

This study employed a descriptive research design with a quantitative approach to analyse the state of underprivileged populations in Uganda. The research was based on secondary data obtained from the Uganda Bureau of Statistics (UBOS), including the Uganda National Household Survey (UNHS) and the Statistical Abstracts for 2017 and 2020. The descriptive design was chosen to systematically describe the characteristics of the underprivileged populations without manipulating any variables (Cohen, Manion, & Morrison, 2017). The study exclusively utilized quantitative data to ensure objective analysis and facilitate the comparison of statistical differences across regions and demographics. Secondary data were sourced from UBOS reports, including the Uganda National Household Survey (UNHS) and the 2017 and 2020 Statistical Abstracts. These sources provided comprehensive data on poverty levels, demographic distributions, and access to basic amenities across Uganda.

Data were analysed using both descriptive and inferential statistical methods. Descriptive statistics, such as means and standard deviations, were used to summarize the data. Inferential statistics, including Independent Sample t-tests and One-Way ANOVA, were employed to test the study hypotheses (Shaw & Mitchell-Olds, 1993). **Independent Sample t-tests** were used to compare means between rural and urban areas, particularly in assessing access to basic amenities like blankets, clothing, shoes, and meal frequency. **One-Way ANOVA** was conducted to determine regional differences in poverty levels, widow distribution, child labour, and the gender distribution of elderly populations. The significance level was set at 5% ($p < 0.05$). Statistical analyses were performed using SPSS software, ensuring robust and reliable results. The findings were interpreted based on p-values and F-statistics, providing a comprehensive understanding of the disparities among underprivileged populations in Uganda.

3.0 Findings

This section presents a summary of statistics, a test for normality, and the study findings based on One-way ANOVA and a two-sample t test as are presented in Table 1.

Table 1: Summary of statistics and normality results

Variables	N	Min.	Max.	Mean	Std. Dev.	*P*-value for Normality Test
Poor persons in central region from 2006 to 2017 (millions)	4	.4	1.3	.875	.3686	.878
Poor persons in eastern region from 2006 to 2017 (millions)	4	2.2	3.6	2.700	.6164	.000
Poor persons in northern region from 2006 to 2017 (millions)	4	2.3	3.5	2.925	.5058	.843
Poor persons in western region from 2006 to 2017 (millions)	4	.7	1.6	1.200	.3916	.407
Widows in Kampala aged 15 years and above (%)	3	.0	58.9	33.367	30.2212	.568
Widows in central region aged 15 years and above (%)	3	1.0	55.2	33.333	28.5757	.384
Widows in eastern region aged 15 years and above (%)	3	2.2	59.1	33.367	28.8365	.687
Widows in northern region aged 15 years and above (%)	3	2.0	52.9	33.367	27.4358	.269
Widows in western region aged 15 years and above (%)	3	1.8	51.4	33.367	27.4300	.157
Working children in Kampala aged between 5 and 17 years	3	786	16370	6031.33	8953.871	.016
Working children in central region aged between 5 and 17 years	3	63088	288390	140660.33	127991.353	.055
Working children in eastern region aged between 5 and 17 years	3	39344	743122	287406.33	395178.186	.098
Working children in northern region aged between 5 and 17 years	3	67489	338382	162739.67	152292.053	.093
Working children in western region aged between 5 and 17 years	3	61836	132723	85898.67	40556.279	.031
Percentage of male elders aged 60 years and above based 7 characteristics	7	10.6	94.0	47.129	32.8685	.196
Percentage of female elders aged 60 years and above based 7 characteristics	7	16.4	89.1	60.314	22.5025	.653
People possessing a blanket in Rural area from 2006 to 2019 (%)	6	28.1	36.0	32.400	3.4199	.141
People possessing a blanket in Urban area from 2006 to 2019 (%)	6	56.8	63.5	59.783	2.7316	.927

Variables	**N**	**Min.**	**Max.**	**Mean**	**Std. Dev.**	***P*-value for Normality Test**
People in possession of at least two sets of clothes in rural area from 2006 to 2019 (%)	6	80.4	92.6	87.167	4.8161	.637
People in possession of at least two sets of clothes in urban area from 2006 to 2019 (%)	6	92.7	97.5	95.033	1.7084	.831
Household members in Possession of at least one pair of shoes in rural area from 2006 to 2019 (%)	6	44.1	58.0	50.367	5.7518	.089
Household members in Possession of at least one pair of shoes in urban area from 2006 to 2019 (%)	6	75.3	85.4	81.367	3.6258	.455
Proportion of people who take three meals per day in rural areas from 2010 to 2019 (%)	5	46.2	51.8	49.280	2.1347	.089
Proportion of people who take three meals per day in urban areas from 2010 to 2019 (%)	5	59.1	69.4	66.880	4.4268	.032

Source: Own computations based on UBOS 2017/2020

Table 1 presents the summary of statistics and the Shapiro-Wilk test for the variables' normality. The normality findings show that the variables with *p*-values above the 5% significance level were normally distributed.

3.1 Difference in Poverty levels in different regions in Uganda

The study investigated whether poverty levels in different areas of Uganda differed from 2006 to 2017. The findings are presented using One-way ANOVA in Table 2.

Table 2: One-Way ANOVA findings on the difference in Poverty levels between different regions in Uganda

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	12.915	3	4.305	18.616	.000
Within Groups	2.775	12	.231		
Total	15.690	15			

Source: Own computations based on UBOS (2017)

The findings from Table 2 indicate that there was a significant difference in Poverty levels in different regions in Uganda from 2006 to 2017 (F-value=18.616, P-value< 0.05). This may imply that the poverty level in the different areas of Uganda is not equally the same. The difference in poverty levels among regions in Uganda is indicated in Figure 1 below.

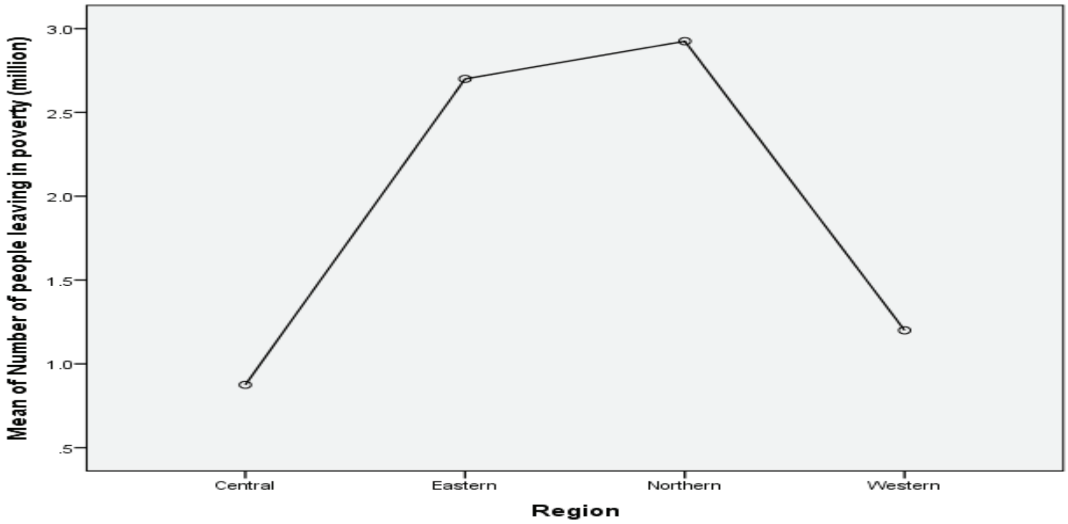


Figure 1: Line plot showing the difference in poverty levels in different regions in Uganda

Source: Own computations based on UBOS (2017)

Findings presented in Figure 1 show that the northern region had more poor people, followed by the eastern and western areas, and the central region had the smallest number of poor people from 2006 to 2017.

3.2 The difference in the distribution of widows in different regions in Uganda

The study investigated whether the proportion of widows was significantly different across the regions of Uganda. It focused on widows aged 15 years and above, distributed between 15 and 29, 30 to 59, and 60 years plus. The findings are presented in Table 3.

Table 3: One-way ANOVA findings on the difference in the distribution of widows in different regions in Uganda

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.003	4	.001	.000	1.000
Within Groups	8133.133	10	813.313		
Total	8133.136	14			

Source: Own computations based on UBOS (2017)

The ANOVA findings in Table 3 show that the proportion of widows from different regions was significantly the same (P-value>0.05). This indicates that all regions in Uganda have almost the same proportion of widows.

3.4 The difference in the number of working children in different regions in Uganda

The study examined whether there was a difference in the number of working children in different regions in Uganda. The working children targeted included those between 5 and 17 years old, divided into three categories: 5 to 11, 12 to 13, and 14 to 17. The results are presented in Table 4.

Table 4: ANOVA results examining the difference in the number of working children in different regions in Uganda

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	129183319999.600	4	32295829999.900	.818	.542
Within Groups	394930875653.333	10	39493087565.333		
Total	524114195652.933	14			

Source: Own computations based on UBOS (2017)

The study found no significant difference in the number of working children in different regions in Uganda (F-value=0.818, *p*-value>0.542). This implies that all areas in Uganda could have the same number of children engaged in child labour. However, the eastern region had the biggest number of children engaged in child labour, followed by the northern and central regions, while Kampala had the fewest.

3.5 The difference in the proportion of elderly people distributed by gender in different fields in Uganda

An attempt was done to find out if there was a significant difference in the proportion of elderly people distributed by gender in Uganda. The study looked at the gender distribution of elderly people in urban areas, employed in Agricultural sector, those in general employment, those who are household heads, those who have never been to school, those who are illiterate, and those who are widows. The findings are presented in Table 5 using two sample t test.

Table 5: Two sample t test results examining the difference in the proportion of elderly people distributed by gender in different fields in Uganda

```
Two-sample t test with equal variances
------------------------------------------------------------------------------
Variable |     Obs        Mean    Std. Err.   Std. Dev.   [95% Conf. Interval]
---------+--------------------------------------------------------------------
Male_e~s |       7    47.12857    12.42311    32.86846    16.73032    77.52683
Female~s |       7    60.31429    8.505137    22.50248    39.50297    81.12561
---------+--------------------------------------------------------------------
combined |      14    53.72143    7.460041    27.91292    37.60499    69.83787
---------+--------------------------------------------------------------------
    diff |           -13.18571     15.0556               -45.98904    19.61762
------------------------------------------------------------------------------
    diff = mean(Male_elders) - mean(Female_elders)                t =  -0.8758
Ho: diff = 0                                     degrees of freedom =       12

    Ha: diff < 0                 Ha: diff != 0                 Ha: diff > 0
 Pr(T < t) = 0.1992         Pr(|T| > |t|) = 0.3983          Pr(T > t) = 0.8008
```

Source: Own computations based on UBOS (2017)

The study found that there was no significant difference in the proportion of elderly people distributed by gender in different fields in Uganda at 5% significance level (mean difference= 13.2%, P-value (0.3983)>0.05). The findings may imply that both elderly males and females were almost equally involved in different fields like employment, education, and government sectors. However, the observation from the findings also indicates that elderly females (60.3% on average in every field) were more engaged in different fields than males (47.1% on average in every field).

3.6 The difference in the proportion of people possessing a blanket in rural and urban areas in Uganda

The study established whether the proportion of people possessing a blanket in rural and urban areas was different in Uganda from 2006 to 2019. The results are shown in Table 6.

Table 6: Two sample t test results examining the difference in the proportion of people possessing a blanket in rural and urban areas in Uganda

Two-sample t test with equal variances

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Blanke~l	6	32.4	1.396185	3.419942	28.81099	35.98901
Blanke~n	6	59.78333	1.115173	2.731605	56.91669	62.64998
combined	12	46.09167	4.215168	14.60177	36.81414	55.36919
diff		-27.38333	1.786881		-31.36475	-23.40191

```
    diff = mean(Blanket_Rural) - mean(Blanket_Urban)              t = -15.3247
Ho: diff = 0                                     degrees of freedom =       10

    Ha: diff < 0                 Ha: diff != 0                 Ha: diff > 0
 Pr(T < t) = 0.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 1.0000
```

Source: Own computations based on UBOS (2020)

The results from the two-sample t-test revealed that there was a significant difference in the proportion of people possessing a blanket in rural and urban areas in Uganda from 2006 to 2019 (mean difference=27.4%, *p*-value (0.000) <0.05). The results indicate that people possessing a blanket in urban areas had an average proportion of 59.8% per year compared to people in rural areas who constituted an average proportion of 32.4% per year. The decline in the number of people possessing a blanket in rural areas could be attributed to the lower earning levels compared to their counterparts in urban areas.

3.7 The difference in the proportion of people possessing at least two sets of clothes in rural and urban areas in Uganda

The study ascertained if the proportion of people possessing at least two sets of cloths in rural and urban areas significantly differed from 2006 to 2019 in Uganda. The findings are indicated in Table 7.

Table 7: Two sample t-test results showing the proportion of people possessing at least two sets of clothes in rural and urban areas in Uganda

Two-sample t test with equal variances

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Clothe~l	6	87.16667	1.966158	4.816084	82.1125	92.22084
Clothe~n	6	95.03333	.6974557	1.708411	93.24047	96.8262
combined	12	91.1	1.547775	5.361648	87.69337	94.50663
diff		-7.866667	2.086198		-12.51501	-3.218328

```
    diff = mean(Clothes_Rural) - mean(Clothes_Urban)               t =  -3.7708
Ho: diff = 0                                      degrees of freedom =       10

    Ha: diff < 0                 Ha: diff != 0                 Ha: diff > 0
 Pr(T < t) = 0.0018         Pr(|T| > |t|) = 0.0037          Pr(T > t) = 0.9982
```

Source: Own computations based on UBOS (2020)

The findings in Table 7 indicate that there was a significant difference in the proportion of people possessing at least two sets of clothes in rural and urban areas in Uganda from 2006 to 2019 (mean diff=7.9%, *p*-value (0.003) <0.05). The findings may imply that more people in the urban areas possess at least two sets of clothes compared to those from the rural areas of Uganda.

3.8 The difference in the proportion of household members possessing at least one pair of shoes in rural and urban areas in Uganda

The study assessed whether there was a difference in the proportion of household members possessing at least one pair of shoes in rural and urban areas of Uganda from 2006 to 2019. The findings are presented in Table 8 using a two-sample t-test.

Table 8: Two sample t test results examining the difference in the proportion of household members possessing at least one pair of shoes in rural and urban areas in Uganda

Two-sample t test with equal variances

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Shoes_~l	6	50.36667	2.348143	5.751753	44.33057	56.40276
Shoes_~n	6	81.36667	1.48024	3.625833	77.56159	85.17175
combined	12	65.86667	4.857162	16.8257	55.17613	76.55721
diff		-31	2.775768		-37.1848	-24.8152

```
    diff = mean(Shoes_Rural) - mean(Shoes_Urban)                   t = -11.1681
Ho: diff = 0                                      degrees of freedom =       10

    Ha: diff < 0                 Ha: diff != 0                 Ha: diff > 0
 Pr(T < t) = 0.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 1.0000
```

Source: Own computations based on UBOS (2020)

The study outcomes in Table 8 show that the proportion of household members possessing at least one pair of shoes in rural areas significantly differed from that of urban areas from 2006 to 2019 in Uganda (mean diff=31%, P-value (0.000) <0.05). The implication is that more people in urban areas possess at least one pair of shoes than their counterparts in rural areas of Uganda.

3.9 The difference in the proportion of people who take three meals per day between the rural and urban areas in Uganda

The study further investigated whether the proportion of people who take three meals per day in rural areas significantly differed from that of urban areas in Uganda from 2010 to 2019. The findings are presented in Table 9.

Table 9: Two independent sample t test results showing the difference in the proportion of people who take three meals per day between the rural and urban areas in Uganda

Two-sample t test with equal variances

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf.	Interval]
Meals_~l	5	49.28	.9546727	2.134713	46.6294	51.9306
Meals_~n	5	66.88	1.979747	4.42685	61.38334	72.37666
combined	10	58.08	3.110941	9.83766	51.04256	65.11744
diff		-17.6	2.197908		-22.66839	-12.53161

```
    diff = mean(Meals_Rural) - mean(Meals_Urban)                  t =  -8.0076
Ho: diff = 0                                     degrees of freedom =        8

    Ha: diff < 0                 Ha: diff != 0                 Ha: diff > 0
 Pr(T < t) = 0.0000         Pr(|T| > |t|) = 0.0000          Pr(T > t) = 1.0000
```

Source: Own computations based on UBOS (2020)

The findings from Table 9 revealed that there was a significant difference in the proportion of people who take three meals per day between the rural and urban areas in Uganda from 2010 to 2019 (mean diff=17.6%, P-value (0.000) <0.05). The findings may imply that people who would take three meals per day in urban areas were more than those in rural areas. For instance, 66.9% of the people in urban areas had access to three meals per day every year compared with an average of 49.3% of the people in rural areas.

4.0 Conclusions

The poor state of underprivileged people in Uganda has continued to increase, especially for those in rural areas. Concerning the poverty level, the results indicated that the poverty level has grown high in the northern and eastern regions of Uganda. The study noted that there is more child labour in the eastern region compared to the other areas in Uganda. Concerning access to basic needs (like blankets, clothes, and shoes) and three meals per day, people in urban areas were better off than those in rural areas. There is a need for some intervention aimed at fighting poverty among people in the most at-risk regions like the northern and eastern regions of Uganda. There is a need for an awareness campaign in the east region to reduce the rate of growing child labour. The government and development partners need to support rural communities by providing basic needs like blankets, clothes, and shoes. People in the rural areas of Uganda should be encouraged to grow more food crops since this may fulfill the three meals that should be taken daily.

Reference

Basu, S. (1992). Health and Culture among the underprivileged groups. *Health for the Millions, 18*(1-2), 23-24.

Bhatia, V., Swami, H., & Kaur, A. P. (2010). An intervention study to enhance AIDS awareness among underprivileged population in Chandigarh.

Chang, C.-C. (1998). The Vocational Training Strategy for the Underprivileged Population in Taiwan, ROC.

Cohen, L., Manion, L., & Morrison, K. (2017). Approaches to quantitative data analysis. In *Research methods in education* (pp. 725-738): Routledge.

Ganguly, B. B., & Kadam, N. N. (2015). Health of the underprivileged children: a close look into a subset of tribal group and street population of India. *Journal of the Pediatrics Association of India, 4*(3), 156.

Hox, J. J., & Boeije, H. R. (2005). Data collection, primary versus secondary.

Jan Sundquist, M. B., Jarman, B., & Johansson, S.-E. (1996). Underprivileged area score, ethnicity, social factors and general mortality in district health authorities in England and Wales. *Scand J Prim Health Care*, 14.

Jarman, B. (1983). Identification of underprivileged areas. *British medical journal (Clinical research ed.), 287*(6385), 130.

Jarman, B. (1984). Underprivileged areas: validation and distribution of scores. *Br Med J (Clin Res Ed), 289*(6458), 1587-1592.

Lee, Y.-A., Jin, Y.-H., & Byeon, J. (2000). Development Strategies of Community Facilities for the Socially Underprivileged. *Korea Research Institute For Human Settlements*.

Matthews, M. (1986). *Poverty in the Soviet Union: the life-styles of the underprivileged in recent years*: Cambridge University Press.

Pruet, P., Ang, C. S., Farzin, D., & Chaiwut, N. (2015). *Exploring the Internet of "Educational Things"(IoET) in rural underprivileged areas.* Paper presented at the 2015 12th International Conference on Electrical Engineering/Electronics, Computer, Telecommunications and Information Technology (ECTI-CON).

Rank, M. R. (2004). *One nation, underprivileged: Why American poverty affects us all*: Oxford University Press.

Reinhardt, C. H., Löpker, N., Noack, M. J., Rosen, E., & Klein, K. (2009). Peer teaching pilot programme for caries prevention in underprivileged and migrant populations. *International Journal of Paediatric Dentistry, 19*(5), 354-359.

Reshadat, S., Tohidi, M., Ghasemi, M., Zangeneh, A., Saeidi, S., Teimouri, R., & Yigitcanlar, T. (2020). Interrelationship between underprivileged neighborhoods and health promotion lifestyles: insights from Kermanshah, Iran. *Journal of Public Health, 28*(6), 693-702.

Shaw, R. G., & Mitchell-Olds, T. (1993). ANOVA for unbalanced data: an overview. *Ecology, 74*(6), 1638-1645.

Shawky, S. (2018). Measuring geographic and wealth inequalities in health distribution as tools for identifying priority health inequalities and the underprivileged populations. *Global Advances in Health and Medicine, 7*, 2164956118791955.

Simson, R. (2017). *(Under) privileged bureaucrats? The changing fortunes of public servants in Kenya, Tanzania and Uganda, 1960–2010.* The London School of Economics and Political Science (LSE),

Vartanian, T. P. (2010). *Secondary data analysis*: Oxford University Press.

Wijetunga, D. (2014). The digital divide objectified in the design: Use of the mobile telephone by underprivileged youth in Sri Lanka. *Journal of Computer-Mediated Communication, 19*(3), 712-726.

The Ugandan Journal of Management and Public Policy Studies (UJMPPS)
December 2024, Vol. 25, No. 1, pp. 130-150
ISSN: 2078-7049 (Print), 2959-4316 (Online)

Published by Uganda Management Institute

Female Ugandan Labour Migration to Middle East: Is it a reflection of a Non-resilient Public Sector?

Sebastian Bigabwenkya

Uganda Management Institute, Kampala

Corresponding e-mail: sbigabwenkya@umi.ac.ug

Article History

Received: September 30, 2024
Revised: December 12, 2024
Accepted: December 18, 2024

Abstract

The growing number of female workers migrating from Uganda to the Middle East countries through formal and informal arrangements casts a shadow on the resilience of the public sector in Uganda. While the Government of Uganda, through the public sector, has legalized the externalization of labour, it has not yet done enough to minimize the risks involved in female labour migration to the Middle East. Meanwhile, work conditions in that sub-region have been widely described as hazardous. Hence, this study sought to answer four questions: Why have female Ugandan workers continued to migrate to the Middle East despite the reported precarious conditions of work that such workers face while there? What attempts has the Ugandan public sector made to streamline working conditions for women and girls in the Middle East? What forms of resilience or non-resilience does the public sector portray in managing female Ugandan migrant workers to the Middle East? What more can be done by the public sector of Uganda to mitigate the plight of female migrant workers in the Middle East? The study used documents review analysis method plus interviews of two purposively selected senior labour officers from the Ministry of Gender, Labour and Social Development in Uganda. The data management processes involved qualitative methods of primary and secondary data. The findings suggest that the envisaged economic benefits from migration have overshadowed all the risks involved, including life-threatening risks, which the female labour migrants face in the Middle East. I argue that the massive female labour *migration to Middle East existing today (although not a crime) is a pointer to the weaknesses of the public sector of Uganda that has failed to create sufficient employment opportunities in the country and has thereby compelled the citizens to find alternative occupations abroad. I, therefore, recommend that the public sector should not only smoothen the processes of migration but pay more attention to the national labor force retention strategies.*

Keywords: *Female migrant workers, Ugandan public sector resilience, migration to the Middle East*

1.0 Introduction

Public sector resilience in Uganda requires analysis concerning the issue of female labour migration to the Middle East. The public sector has made some policies and interventions (e.g. *The employment Regulations, 2021*) to manage international female labour migration although a lot of work remains undone. International female labour migration is a global phenomenon that is widely manifested in form of women and girls moving from one country to another; mainly from developing countries to the developed world, either legally or illegally. Female labour migration also takes the form of permanent or temporary stays in the host country. Meanwhile, migration is not a crime if officially done. However, migration can raise concerns if the circumstances under which it happens are precarious. As such, this article focuses on female migrant workers who have left Uganda for the Middle East (i.e. UAE, Oman, Saudi Arabia, Bahrain, Iraq, Iran, Jordan, Kuwait, Lebanon and Qatar); why they left; and what interventions the public sector of Uganda has made to streamline the entire process. Besides, attention is paid to the extent to which the public sector of Uganda portrays offensive resilience in managing the female labour migration.

2.0 Background

An international migrant worker is a person who is to be engaged, is engaged or has been engaged in paid work in a country of which he or she is not a national (UN, 1990, as cited in Wickramasekera, 2002). A migrant worker could be a product of push and or pull factors between sending and receiving countries. According to the ILO, the differences in economic capabilities are widening between labour shortage in high-income countries and labour surplus in low-income countries across the globe. Hence, "in sending countries there is an inability to provide workers with decent employment opportunities and living standards and a decline in real wages in addition to high unemployment and underemployment rates. In receiving countries, there is an ever-growing demand for low status, low skilled and low paid jobs…" (ILO, 2003 cited in Kawar, 2004, p.72). Therefore, the flow of labour from poor to rich countries persists year after year.

In the last three decades there has been a growing influx of migrants from Asia and Africa into the Middle East. Actually, as Jureidini (2003) reveals, there are no quotas on the number of migrants allowed in the Middle East. Meanwhile, their local labour laws and regulations do not cover temporary contract migrants. Besides, the domestic workers and other related blue-collar workers are excluded from any legal protections, thereby making the contract migrants cheap to hire. This scenario has opened up room for abuse of the foreign workers especially the low-skilled persons, usually women and girls.

In the Middle East, there exists a system known as *Kafala*. The *Kafala* system, makes domestic workers fall under the authority of the Ministry of Interior, while all other foreign-born workers fall under the Ministry of Labour. As a result, the migrant workers are excluded from national labour laws, and their labour complaints are often dealt with by police only (Malit & Youha, 2013). Malit and Youha further reveal that by 2013 there were about 65,000 to 135,000 unauthorised migrants in the United Arab Emirates (UAE) with an unknown significant number lacking any identification papers after having been abandoned by abusive employers who had withheld their passports. Incidentally under the *Kafala* system, this misdeed passes as a non-issue in the eyes of government authorities. Meanwhile, the UAE claims to have abolished the *Kafala* system in 2021 although the treatment of foreign domestic workers has largely remained degrading, with women being treated as second-rate workers.

Most migrants from Africa and Asia are blue-collar workers. For example, “Saudi Arabia takes mainly drivers, housemaids, cleaners, teaching assistants, waiters, and waitresses, while Qatar employs labourers, security guards, carpenters, cleaners, personal assistants, administrators, and waiters and waitresses. In the UAE, the most significant chunk are security guards, labourers, loaders and cleaners” (Nangonzi & Serugo, 2022, p.2). All such workers earn relatively low wages (below USD 260 p.m.) while working under tough conditions.

As for domestic workers, their jobs were in the past covered by nationals. But later, as the economies of the Middle East quickly advanced, such jobs were relegated to the foreign women and girls. And unlike the migrant workers, the nationals “were less vulnerable because even if the father visited only once a year, it was as much an act of protection as an opportunity to collect her wages. There was a shared culture with an understanding that family honour was at stake. This honour enforced a certain sense of responsibility on the part of the employing family” (Jureidini, 2003, p.3). However, this relatively fair treatment has since deteriorated in the last one and a half decades. And, it is during these last two decades that Ugandans women and girls have migrated to the Middle East in big numbers.

Currently, female Ugandan labour migration to Middle East is an open practice with government’s endorsement: migration not a crime and humans have a choice migrate to where they can live a life of their choice. To this end, there is a sharp increase in the number of migrant workers during the past decade to the Middle East. Actually, the majority work in informal jobs for an average salary of UGX 1 million [approx. USD260]. Acute unemployment and a lack of access to financing for business are the main causes of the increase (Okafor, 2023). Indeed, every day, hundreds of Ugandan women and girls, mainly with limited education (below college education) travel to the Middle East in search of employment. They migrate majorly with the knowledge of government (public sector) and with the assistance of hiring agencies that promise better pay, good working conditions and life-changing opportunities.

3.0 The problem and questions

Despite the fact that the public sector of Uganda has demonstrated interest in streamlining labour externalisation through a number of measures (e.g. through legislation and bi-lateral agreements), a lot of loopholes still exist in the aspect of managing female labour migration from Uganda to the Middle East countries. Noticeably, there is a big number of women leaving Uganda to the Middle East for low-level occupations. And, some Ugandan women have turned the Middle East into a key destination for job search, suggesting that employment availability in Uganda is in a questionable state.

Reports indicate that between 2016 and mid-2022, over 220,000 Ugandans left for work to the Middle East. Of these, 85 percent were domestic workers, with women taking up the larger share of 75 percent. [These figures do not include workers who left the country illegally] (Balikuddembe, 2023). Every day, hundreds of Ugandan women travel to the Middle East in search of employment. Recruitment agencies promise ‘heaven on earth’: better pay, good conditions of work and life-changing opportunities (Bwowe, 2020). But, as Balikuddembe (2023, p.1) further indicates, “Ugandan women continue to flock to Middle East mainly to work as maids, despite harrowing tales of enslavement, torture and discrimination. In fact, many go back for a second and third stint, even after they have spoken very badly about the way they were treated while they worked in homes there”. This scenario reflects badly on the government of Uganda and specifically the public sector that is at the centre-stage of human resource development, policy setting, implementation and employment creation.

This feminisation of migrant labour from Uganda to the Middle East needs to be analysed in order to understand what the public sector of Uganda could do to improve the protection of migrants and even minimise migration. To this end, the study sought to answer these four questions: Why have the female Ugandan workers continued to migrate to the Middle East in spite of the risky conditions of work that such workers face while there? What attempts has the Ugandan public sector made in streamlining working conditions for women and girls employed in the Middle East? What forms of non-resilience does the public sector exhibit in the process of managing the female Ugandan migrant workers to the Middle East? What else can be done by the public sector of Uganda to mitigate the plight of female migrant workers in the Middle East?

4.0 Theoretical review

The study used the *migration networks theory* to explain the process of human movement, with an emphasis on labour migration. The migration network theory was propounded by Massey *et al.* (1987) to explain the transmission of the destination experience from migrants to relatives and friends in the countries of origin as a motivator to international migration. The theory seeks to explain how migration happens and how it has been sustained through social networks (Sha, 2021). It postulates that links to groups, family or friends (networks) in receiving countries influence migrants’ decision in sending countries to choose their migration destinations. Besides, it attempts to explain the complex nature of migration as a multi-directional and circular process.

Furthermore, the theory explains the intricate relationship between structures and agency. Migration is seen as a complex process that takes place, becomes consolidated, changes in nature and shape, and emerges anew over time (Kawar, 2004). In the view of Castles and Miller (2009) social structures and individual actions determine decision-making processes and migration outcomes. In addition, migration networks theory postulates that movement tends to cluster, can be circular, and take shape within broader contexts and systems, including government systems. Therefore, international labour migration being a transitory phenomenon in response to temporary shortages and surpluses of labour is influenced by the systems and social networks in both receiving and sending countries.

5.0 Public sector resilience

The public sector in Uganda consists of government ministries, departments, and agencies working together to manage employment services for citizens both in the country and those migrating to other countries for work. The public sector's resilience depends on the amount and quality of disposable resources it possesses and the contextual demands of the situation. Resilience is a fundamental quality to respond productively to significant change that disrupts the expected pattern of life or an event without engaging in an extended period of regressive behaviour (Horne & Orr, 1998). And, organisational resilience refers to, "the maintenance of positive adjustment under challenging conditions such that the organization emerges from those conditions strengthened and more resourceful" (Vogus & Sutcliffe, 2007, cited in Rajala & Jalonen 2023, p.9). It has also been argued that organizational resilience, encompasses identifying potential risks and taking proactive steps to ensure that an organization prospers in the face of hardships (Somers, 2009). Hence, resilience has to do with agility and withstanding tough conditions while taking *pro-active actions* to prosperity.

Resilience has been categorised by some authors depending on their personal perspective. Some scholars classify resilience in two ways as: "defensive resilience pointing to the ability to react, recover, and bounce back to a state of normality; and offensive resilience denoting ...the ability to anticipate emerging problems and prevent them" (Boin & van Eeten, 2013 cited in Rajala & Jalonen, 2023, p.9). Rajala and Jalonen (2023, p.9) argue that "the main difference between defensive and offensive resilience is that defensive resilience defends an old belief, practice, value, service, or status, whereas offensive resilience either replaces something old with the new or adopts a novel belief, practice, value, service, or status while replacing nothing" (p.9). It can be argued that in Uganda, the public sector style of managing female labour migration to the Middle East calls for both offensive and defensive responses. However, the major thrust should be an offensive one where government can anticipate emerging problems of migration and prevent them through deliberate action.

6.0 Conditions of work for female labour migrants in Middle East

The number of female migrant workers from third world countries to the Middle East has been increasing in the last three decades. These women and girls are mainly involved in domestic work; hence their work requires limited levels of skills and expertise. Low levels of education make them vulnerable to poor working conditions and low wages. Most of these female workers come from Asia and Africa. Some of them have families that they leave behind back at home as they head to the Middle East countries. Quite often, these female migrant workers meet very unfavourable working conditions characterised, for example, by: assault, delayed salaries, sexual abuse, discrimination, and excessive work.

Studies on the working conditions for low level jobs in Middle East paint a gloomy picture on migrant labour. Jureidini (2003), for example, studied the migrant workers and xenophobia in the Middle East and established a typical working situation:

> *In the case of Sri Lankan and Filipina women, their families are remote. They come from a different culture… Mostly travelling alone and in a foreign country, with little or no communication with the outside world, their contractual arrangements are such that they have few rights, no freedom and are kept as virtual prisoners in the households in which they work. They cannot form or join unions, and there is no serious regard for their well-being… Given the numbers of migrant workers involved, diplomatic missions cannot keep track or monitor the many thousands of their nationals in the host countries" (Jureidini 2003, p.6).*

By implication, female migrant workers in domestic jobs tend to face unfavourable conditions of work. They are treated as second-rate citizens. The now diminishing *Kafala* system has influenced such rigid treatment of foreign workers in the Middle East.

Kafala is a significant concept in the Islamic tradition, that has its social, moral and business dimensions. In Islamic family law *kafala* refers to a formal agreement to provide temporary support for orphaned children until adulthood. The *kafala* sponsorship system was originally adopted in the 1950s by the Gulf Cooperation Council nations. It later evolved to go beyond orphan care and covered employees under private arrangements. Under this framework, the state issues sponsorship permits to local individuals or entities, granting them the authority to engage foreign labourers for employment.

The practice of the *kafala* system has been prevalent in the Gulf Cooperation Council (GCC) states such as Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, Jordan and United Arab Emirates (UAE). It is widely used by those countries because of the need for cost-effective labour. In practice, the *kafala* system tends to be repressive to the workers including denying them several rights. For example, in Lebanon and Kuwait, female migrant domestic workers face specific challenges under the *kafala* system. It has been reported that, "condemned as dangerous and abusive, the *kafala* labour system not only disregards migrant workers' rights but depends on exploitation…with the region's most vulnerable migrants hidden behind closed doors" (McQue, 2024, p.1). McQue further reveals that women who are domestic workers in the Middle East operate under appalling situations facilitated by the state's employment status.

In the Middle East, patriarchal norms that devalue domestic labour as 'women's work' confine women within the household and make them less visible to authorities. In fact, "female domestic workers, generally excluded from the labour protection laws by working in private homes, are heavily dependent on their employers" (McQue, 2024, p.1). Actually, *Human Rights Watch* has decried the *kafala* system because of its loopholes. This human rights organisation reveals that, "the kafala system exposes migrant workers to abuse in many forms, including exploitative working conditions, poor living accommodations, restrictions on freedom to organize or bargain collectively, and nonpayment of salaries" (HRW cited in Malit & Youha, 2013). Basically, most of the domestic workers have little or no room to resign their jobs. They are more or less enslaved in some of form of forced labour.

The UAE government recently abolished the kafala system and introduced certain reforms in 2021 that gave domestic workers the right to regular breaks and days off, and the right to switch employer. However, the UAE›s 2021 labour law has not dismantled the kafala system in full: "even in states where kafala laws have been amended or reformed, as in Qatar after the UN report, little has changed and women report conditions that experts say amount to forced labour" (McQue, 2024, p.3). Most women work seven days a week and have their passports confiscated by their employer, while others face violence and sexual abuse.

In all this domestic employment, quite often the foreigners are easily identifiable in their work places, and this positions them in the path to abuse. At times they have natural features that can be detected easily. As one scholar observed, "African and Asian migrants are physically distinguished and often looked upon as inferior, or simply ignored or dismissed. Their presence, however, is largely associated with their prevalence in positions of servility of one form or another" (Jureidini, 2003, p.1). Foreign women workers in the Middle East suffer more than men. Women are subjected to harsh working environment mainly due the perception than women are inferior to men. Indeed, there are many disadvantages and risks that women face as compared to men: Kawar (2004, pp.73-75), for example, lists a number of factors that position women migrants to Middle East at a disadvantage. The factors include:

- During the decision to migrate many women may have unrealistic expectations, lack of proper information on the migration process and procedures and on employment opportunities. They may also lack the know-how and ability to cover expenses. Thus, they may end up in irregular and exploitative situations.
- As compared to men, women migrant workers tend to be concentrated in a more limited number of occupations.
- The migration of women is mostly unrelated to career advancement and skill acquisition. There is enough evidence to suggest that a significant number of migrant women possess skills and qualifications often not recognised or unneeded in the types of work that they perform.
- As compared to men, most migrant women end up performing the 3D jobs and are in isolated situations with limited opportunities to build networks. Therefore, they have limited access to information and social support.
- Women more than men tend to occupy jobs within the informal sector which is not covered by any labour legislation or social protection.
- Women migrants themselves lack knowledge of their rights, fear the authorities and are not organized.
- From an individual perspective, most women migrate to overcome poverty and limited viable employment opportunities in their home country. Most see their employment as temporary to achieve certain personal / family objectives (e. g. savings to establish a business, build a house, pay debts or for the education of the children). However, these

objectives are difficult to achieve in the short term or over a single contract period due to a variety of reasons: problems with debt bondage, withholding of wages, receiving less wages than original contract, lack of knowledge on money management and savings, among many others.

- The authorities in most destination countries treat women migrant workers as workers with limited or no legal rights. In cases of exploitation and abuse, the judicial system is not always construed in favour of the abused worker.

Kawar further notes that, unlike most European states, Middle East destination countries have not yet recognized and upheld the rights of migrant workers. This mentality positions migrant workers in risky work situations. Meanwhile, the return and reintegration process of women migrant workers can also be more problematic than men, for example on matters of socio-psychological effects, and family relationships.

7.0 The methods and population

This study used qualitative approaches, specifically exploratory cross-sectional case study design: the case being the public sector of Uganda. The study involved senior civil servants from the Ministry of Gender, Labour and Social Development (MGLSD). There were two senior officials selected from the Ministry under the departments dealing directly with internal labour and external labour employment. Data were also collected from documents that the researcher analysed. The documents were from individual researchers, MGLSD reports, ILO reports, International Organisation for Migration (IOM) reports, and newspaper articles. But this being a qualitative study, only a small sample of documents was picked and was deemed adequate for generating the required data for such a short article. The documents were picked on grounds of relevance, richness and coherence. This mixing of sources was done because, as Yin (1998) argues, combining different data collection methods is an often-used approach in methodological triangulation, and it enhances construct validity.

To collect data, I obtained permission from the relevant interview participants. The two senior civil servants were accessed at the MGLSD premises after clearance from the Permanent Secretary of the Ministry. Participation was voluntary, anonymous and confidential. The participants were also given liberty to skip certain questions that the researcher asked. Regarding the instruments, the study used interview schedules for the civil servants in the MGLSD. The participants were interviewed directly and individually through face-to-face interviews. The interviews consisted of open-ended questions that lasted an average of one hour and 20 minutes each. The study also used a document review checklist to identify the relevant messages and themes from the documents accessed. The collected data (from interviews and documents) were concurrently analysed through thematic analysis to generate the relevant information in form of themes. The themes were categorised, interpreted and the relevant findings were generated and presented in this article.

In the analysis, attention was put on why female Ugandan migrant workers continue to migrate to Middle East in spite of the apparent precarious work conditions; and what efforts public sector of Uganda has put to streamline the conditions of work they experience. Besides, evidence of public sector resilience or non-resilience was explored; and finally, what else could be done by the public sector to streamline the entire migration process including finding alternative occupations back in Uganda was equally analysed.

8.0 Findings on female Ugandan labour migration to Middle East

The state of labour in Uganda

Uganda has a population of about 45.9million people with 55.6% of them being of working age population (14-64 years) (Uganda Bureau of Statistics [UBOS], 2024). The population growth rate is about 2.8% per annum. According to the 2020 World Bank second report on the state of the job market in Uganda, around 700,000 young people reach working age every year. This figure is expected to rise to an average of one million in the decade from 2030 to 2040 (World Bank, 2020). It was actually confirmed that, "between 600,000 to 700,000 new persons enter the Ugandan labour market every year...and compared to the number of jobs that are created, they are quite fewer" (MGO 01). This figure of jobseekers cannot be fully absorbed in the Ugandan economy and hence it puts a lot of pressure on the country's small labour market thereby necessitating the citizens to seek employment abroad.

Large-scale female labour migration network

The number of female Ugandan migrant workers to the Middle East has been growing. Actually, document reviews and interviews with labour officers in Uganda revealed that there was a big number of them in the Middle East. For example, it was reported that, "between 2016 and mid-2022, over 220,000 Ugandans left for work in Middle East. [Of these,] 85 percent were domestic workers, with women taking up the larger share of 75%. Those figures do not include workers who left the country illegally" (Balikuddembe, 2023, p.1). By implication, in a space of seven years, over 140,000 female workers migrated from Uganda to Middle East. Besides, a related but higher figure was also found out from document reviews: "there was a time, before the outbreak of Covid-19 when we would take about 3,000 domestic workers monthly to Middle East. Now that travel restrictions are relaxed…between 1,500 and 2,000 migrant workers are leaving the country every month," (Egulu cited in Nangonzi & Serugo, 2022, p.1). And, another source revealed that, "in the 11 months leading up to December [2023], there were 4,870 cleaners and 1,476 security guards from Uganda, in Middle East" (Okafor, 2023). These figures suggest that there are big numbers of female Ugandans moving to Middle East for work. Most of these workers' migrations were influenced by the stories of their friends or family members who had migrated and made some success. Ugandan workers in Middle East told stories about the high possibilities of earnings from that sub-region. The government of Uganda eventually came in to facilitate the migration process when the actors had already made a decision to leave the country [Uganda]. This scenario resonates with the migration network theory that considers migration to be a function of social networks where groups, family or friends in receiving countries influence migrants' decisions in sending countries.

Financial benefits as drivers of migration

The reasons for this large-scale migration of Ugandans to the Middle East are several but key among them is the search for money. As one interview participant reported, "remuneration, especially the females, you find that most of the female migrant workers are less educated… they are between senior four and senior six…and if they choose to work here [in Uganda] as domestic workers, they would be paid between Uganda Shillings [UGX]50,000= to 100,000=, but while in Middle East they are paid between UGX800,000 to 1,000,000=. So, the opportunities there are quite many" (MGO 02). This money can be put to different uses that make a lot of economic sense. Consequently, even when conditions of work are not friendly enough for workers they still persist and migrate to Middle East. Actually, as another interview participant revealed:

> *As compared to the precariousness [of jobs], the benefits are much higher: many of them have improved their standard of living; they have gotten payment; they have gotten money; they have bought land, and so on. That is why you see someone will take a risk. Hence, as compared to the challenges most of them have gained.... The benefits are there, actually those who gain are more than those who lose (MGO 01).*

This significantly higher pay coupled with attendant benefits of high pay coupled with a general lack of jobs in Uganda have been the key drivers of Ugandan female labour migration to Middle East. Therefore, women and girls migrate in order to earn high income.

Unemployment and economic gains in Uganda as drivers of migration

As already indicated, most of the female migrant workers serve in the capacity of housemaids in the Middle East. Generally, they earn little from such low-level occupations. In 2022, some Ugandan researchers revealed that, in Middle East, "domestic workers earn between UGX900,000. [approx. USD240] and UGX1,200,000= [approx. USD320]. Despite the soaring cases of abuse of migrant workers, the numbers are climbing due to limited gainful employment opportunities for skilled and unskilled youths here [in Uganda]" (Nangonzi & Serugo 2022, p.1). In addition, other reports further reveal that, "most migrants are women, often single mothers unaware of contractual obligations and their employment rights, drawn by the opportunity to earn a monthly wage of between UGX 900,000= (237 dollars) and 1,200,000= (Approx. USD316.) – three times higher than what a skilled Ugandan worker could expect to earn. According to the 2021 National Labour Force report, 60 per cent of Ugandans earn UGX 200,000 (54 dollars) per month (Nakamya, 2023, p.6). The women and girls in destination countries communicate about both the good and the bad in their jobs but the presence of jobs overshadows other occupational risks in the Middle East labour market.

Labour export companies and vulnerability of female labour migrants

There are some labour export companies in Uganda that are registered and authorised to facilitate the labour migration to Middle East. As of June 13, 2022, there were 235 licensed private recruitment companies. Every two years, each company pays Uganda Shillings two million [approx. USD535] in license fees. The companies process the entire migration process for individuals at a fee. These private companies treat potential migrants differently depending on a number of factors such as the profession of a potential migrant worker and country of destination. For example, it has been reported that for Ugandan teachers, drivers, security experts, and plumbers searching for professional jobs in Middle East have to pay dearly to secure them. The costs include an air ticket, passport, medical and visa expenses. In fact, Ugandan companies have been charging up to UGX 7million (approx. USD1,870.) for a professional job in Middle East. But the domestic workers do not pay for as long as they are willing to work as housemaids (Nangonzi & Serugo, 2022). This price discrimination exists because professionals are likely to access high-paid jobs when they work in the Middle East. Besides, domestic workers being majorly women there could be feminist issues where girls are foreseen as potential soft workers for all forms of exploitation including sexual or financial.

In general, for low-level occupations, the potential migrant does not pay. In most cases, according to document reviewed:

> *To get domestic workers, a Ugandan recruitment company instead gets paid to look for workers. If a company in Saudi Arabia demands about 100 workers, they can pay between $1,000 and $1,300 depending on one's negotiation. Since most Ugandan companies have no cash up front and the Saudi company is providing it, the business becomes more attractive – a reason why most Ugandans go for domestic jobs (Egulu cited in Nangonzi & Serugo, 2022, p.2).*

Moreover, Nakamya (2023, p.5) reports, "Ugandan low-skilled workers in the Gulf and wider Middle East rely on the kafala system, a process which requires migrants to have sponsors before acquiring a work permit. This gives the employers widespread powers over their work, legal and financial status". Most of the domestic migrant workers are female who are economically disempowered. Since they do not pay upfront, their jobs start off on a wrong footing of subservience thereby putting them on high risk of abuse and all forms of exploitation. And, as already indicated, quite often their passports are withheld by their employers, thus escalating their vulnerable position.

Today, the number of companies has increased in spite of some companies having been suspended in line with Regulation 13 of The Employment (Recruitment of Uganda Migrant Workers) Regulations 2021. The companies had been found with forged training reports, contract renewal documents, accumulated refund claims from clients, forged Covid-19 results, and evidence of trafficking people. Such malpractices revealed that local companies were also actors in illegal migration including migrant labour exploitation cycle that starts in Uganda and stretches up to the Middle East.

Labour exploitation and human rights abuse

Labour exploitation and human rights abuse were found to be prevalent in the Middle East. Evidence abounds about the existence of human rights abuse among the female domestic migrant workers in the Middle East. This has been in existence for over two decades. Female Ugandan migrant workers have been at the centre of this predicament. As one author revealed; "this is nothing like labour migration: This is modern slavery. Almost every day, I register a complaint of a Ugandan woman complaining about her rights being abused. The system in Middle East empowers employers to do so" (Mwizi cited in Nakamya, 2023, p.6). This reported scenario suggests that female migrant workers face a lot of human rights abuses at the hands of their employers. That fact notwithstanding, one interview participant from MGLSD described the abuse of labour as almost normal. He said:

> *When you look at labour markets every where [in the world], domestic work is precarious. It is just that elsewhere it is not hyped as it is in Middle East. When a migrant worker [in Middle East] dies, it is put in the media; but when a Ugandan gets a problem here [in Uganda] it will not be publicised (MGO 01).*

This divergent view of the interview participant suggests some possible indifference by the public sector representatives on the mistreatment of migrant workers and probably explains one of the reasons why MGLSD has handled abuse of female Ugandan migrant workers in th Middle East in a soft way. The MGLSD has covertly underplayed the dangers involved in employment of female Ugandans in the Middle East.

Dangerous illegal migration

As already indicated, about a half of the migrants from Uganda travel illegally to the Middle East. This situation poses a risk to both the individual migrant and Uganda as a nation. As the International Organisation for Migration (IOM) indicates, “irregular migration can undermine public confidence in the integrity and effectiveness of a state’s migration and asylum policies. In addition, irregular migration can also endanger the lives of the migrants concerned” (IOM, 2005). Similarly, Jureidini (2003) posits that, “people who enter or remain in a country without authorization can be at risk of exploitation by employers and landlords. Migrants with irregular status are often unwilling to seek redress from authorities because they fear arrest and deportation”. Therefore, while the female Ugandan migrant workers take a risk every time they travel to the Middle East for employment, the risk is escalated in case they travel illegally.

Injuries and deaths of migrants

The situation of migrant workers to the Middle East has in some cases been deadly. Workers lose their lives under unclear circumstances. For instance, it has been reported that from 2019 to 2022 Uganda registered 88 deaths of migrant workers. Of these, Saudi Arabia had the highest number at 69. It was followed by the UAE and Jordan with five deaths each; Somalia with three, and Qatar, Kuwait, and Bahrain with two deaths each. Following the suspension of Jordan, the MGLSD no longer tracks the illegal trafficking of migrant workers and deaths in that country. On work-related injuries, only seven were registered between 2019 and 2022 in Saudi Arabia (five) and Iraq (two) (Nangonzi & Serugo, 2022). These figures suggest that migrant workers in the Middle East operate under dangerous employment conditions. However, one interview participant underplayed this predicament when he argued, “there is no work without challenges: people die everywhere” (MGO 01). Such a response suggests that some officials in the public sector of Uganda do not consider the labour conditions in Middle East jobs to be any different from elsewhere and therefore they can be tolerated.

9.0 Role of public sector in female labour migration: resilience vs non-resilience

The public sector of Uganda is central in the management of all forms of labour (human resource) in the country whether skilled or unskilled, and in private or public sector. The public sector oversees all the activities of all employment agencies in the country and is mandated to plan for the national human capital. Through the different Ministries such as MGLSD;

Ministry of Foreign Affairs; and Ministry of Finance and Economic Planning, plus the National Planning Authority the public sector is expected to balance the supply and demand of labour and manage labour migration considering the socio-economic strategic targets of Uganda. Therefore, the resilience or non-resilience of the public sector can, among other considerations, be explained from the perspective of female Uganda labour migration.

9.1 Signs of public sector resilience

Enacting some regulations

The government of Uganda has instituted a number of legislations to streamline the working conditions of citizens' employment abroad especially in the Middle East. For example, *The Employment (Recruitment of Ugandan Migrant Workers) Regulations, 2021, Statutory Instruments Supplement No. 26;* and Uganda passed a draft of legislation relating to labour externalisation in 2010, with agreements renewed in 2023. According to one interview participant, by September 2024 the MGLSD had already finalised a study on employment and was soon passing the report over to Cabinet for consideration and launching within the year 2024. And she also revealed, "we have revised the Employment Policy of 2011 and we have sent it to Cabinet...plus other programmes to improve employment" (MGLSD 01). These efforts suggest that government (public sector) is interested in managing labour migration. However, the effectiveness of these legal efforts are questionable as female Uganda migrant workers in the Middle East remain abused.

Signing of bilateral agreements

Government signed some bilateral agreements meant smoothen the working conditions of Ugandans abroad, especially in the Middle East. As per July 2022, Uganda had signed one Bilateral Relations Agreement with the Kingdom of Saudi Arabia for domestic workers. As a government official in an interview indicated:

> *We have an embassy in Saudi Arabia, based in Riyad. We have also an embassy in United Arab Emirates and we have a bilateral agreement with the Emirates except for domestic workers... But with Jordan, government suspended having an agreement because of the conditions of work there. Where we see unfavourable conditions, we don't have agreements: for example, Oman we don't have any, same with Bahrain, Iran and Iraq, we don't... The demand for domestic workers is highest in Saudi Arabia (MGO 01).*

It was further reported that the employment agreements with Jordan and Oman were still under negotiation. Meanwhile, Nangonzi and Serugo (2022) reveal that in Turkey, Oman, Bahrain, and Kuwait where negotiations to sign agreements have been ongoing, an unknown number of Ugandans were already employed in those countries And, where the agreements exist, they cover the working conditions of migrant workers including the provision of medical insurance, standard employment contracts, and agreeing to implement Ugandan laws in their countries.

Building partnerships with agencies

The public sector of Uganda has registered and cleared several companies to handle labour export, especially to the Middle East. As recent as 2023, there were about 300 licensed companies to facilitate labour migration from Uganda (Nakamya, 2023). This authorisation of private companies to operate in labour externalisation suggests public sector effort and interest in providing employment to the citizens, albeit abroad. Furthermore, the government made some efforts to protect the interest of Ugandan migrant workers through partnerships with companies and or through government structures in Middle East. For instance, in an interview, a participant reported:

> *For Saudi Arabia, there is a labour attaché who takes over matters of different neighbouring countries including UAE and Qatar. And, we do constant monitoring with these migrant workers. As we speak, we have a team that travelled to Jordan to assess the situation. We have a minister who travelled to UAE and we have a minister who will travel next week to assess the situation. So, we keep in constant touch with destination countries (MGO 01).*

Besides, on matters of partnerships with countries in the Middle East, agreements have been made to the effect that workers have a fixed period of time (usually two years) within which they must first return to Uganda. Actually, one interview participant explained, “for migrant domestic workers, returning is a must...you cannot renew your contract automatically from Middle East. At the end of a two-year contract, you must return. If you wish to go back, you have to be cleared afresh so that you start again” (MGO 02). It was further revealed that the major objective for frequent periodic returns was to account for these workers. Ideally, even the employers in Middle East are supposed to indicate on the MGLSD electronic system that so has returned to Uganda. Such efforts illustrate government’s attempts to manage and streamline the system of Uganda labour migration to Middle East.

Making attempts on economic pre-emptive measures

Some efforts, although minimal, have been mooted regarding the need to discourage Ugandans from migrating to theMiddle East. For example, one respondent explained:

> *Government’s opinion is that Ugandans should find jobs in Uganda. That is the core and that is the reason why [in the MGLSD] we have internal employment services, under the department of employment services… One of our responsibilities is to ensure that Ugandans have access to employment services within Uganda. What you hear about labour migration is a temporary measure by government… Government allowing Ugandans to seek jobs abroad is not a permanent solution: it’s a temporary measure set up by government to cushion this underemployment hype in the country (MGO 02).*

This view sounds strategic although it is not clear to anyone (including government officials in Uganda) regarding how temporary the internationalisation of labour is going to be. And, how temporary is temporary? Otherwise today, the strategy to keep labour within Uganda is mainly focused on skilling young people with marketable competences for them to be able to compete for productive and decent jobs. In addition, there are some youth livelihood programmes and parish development funds meant for local economic development. These strategies, although riddled with several loopholes are strategic and are meant to help keep more female workers in Uganda where they can be engaged in some productive occupations.

9.2 Evidence of a non-resilient public sector

Persistent human capital flight

The non-resilience of the public sector of Uganda is implied by the mere fact that there is a big number of female Ugandan migrant workers in the Middle East. The departure has been triggered by the quest for jobs and reasonably higher pay than would be found in Uganda. The massive departure presupposes the absence of job opportunities back home which points to a public sector that is devoid of offensive resilience to be able to hold such a human resource within the country. While migration is not a crime, massive migration of workers from one country to another reflects negatively on the sending country.

Inadequate public sector efforts

The government of Uganda, through the public sector has not yet fully immersed herself in the plight of female Ugandan migrant workers in the Middle East. Government priorities in matters of labour management seem to lie elsewhere, probably because there is excess labour in the country. The women and girls continue to migrate with minimal restrictions and guidance. Actually, as one researcher recently established:

> *The regulation of labour externalization by the Ugandan government gives many women false comfort that travelling to Middle East to work is safe, but that is far from the reality. On arrival in Middle East, the women are exploited and abused with little or no payment. Some women are repatriated by relatives or well-wishers while others are ignored by recruitment agencies and the government, left for the dead in a foreign country" (Bwowe, 2020, p.1).*

While attempts have been made to negotiate for the improvement in the working conditions of migrant workers abroad, little has been done in the area of legislation-implementation and refining the entire process of migration and placement of female Ugandan workers in the Middle East. Besides, government has not satisfactorily created effective and strong channels through which such workers in desperate conditions of work can be helped. But what is in place are possibilities of a distressed individual reporting to an attaché in the embassies in Middle East or through online complaints all of which could be difficult to access if an abused domestic worker is locked up in a home in Middle East.

Furthermore, on migrant labour legislation, the public sector weaknesses in the enforcement of the laws have also been highlighted in the *Business Insider Africa_* a magazine that documents the current issues in Africa regarding business. It is reported that "a portion of Ugandans, the bulk of whom work in Middle East, have criticized the government for failing to implement government-to-government rules that safeguard the rights of the Ugandan migrant workers" (Okafor, 2023). This observation suggests that the Ugandan migrant workers feel neglected by the home government (read public sector) in terms of labour protection.

Unprofessional companies and individuals flourishing

As already indicated, the MGLSD suspended the operations of 11 recruitment (labour externalisation) companies in 2021 that had breached the standards. This was done in line with Regulation 13 of The Employment (Recruitment of Uganda Migrant Workers) Regulations 2021. These companies were suspended to minimise the suffering of migrant workers they (companies) were handling. Actually, as Nakamya (2023) attests, those companies had been frequently criticised by labour rights campaigners for prioritising profit over safety and often neglecting their responsibilities towards workers once they arrived in the Middle East. As a result, the government suspended the licenses of several of these companies, while others remained under scrutiny for adherence to standards. The company owners had appealed for reconsideration but the majority of them had not been successful because of failure to fulfil the MGLSD requirements to operate again.

Some female semi-skilled migrants who largely depend on loaned resources such as tickets, visa and passport fees entered the Middle East as extremely vulnerable workers. They are entangled in some kind of, what Jureidini (2003) calls ‘debt bondage’. When such loans were from agents and destination masters, all parties involved in the equation risked losing money. Incidentally, in such arrangements, “some untrustworthy clients also fleece companies when they eventually settle on the job” (Nangonzi & Serugo, 2022, p.2). By implication, either side (agent vs migrant worker) could cheat the other. This scenario suggests a loophole, limited guidance and poor controls from government which the public sector should have ideally managed.

The remittance dilemma

In the equation of female Ugandan labour migration to Middle East is the issue of national revenue. As already indicated, government of Uganda collects revenue from recruitment companies. Government also enjoys a lot of foreign exchange earnings through tax on migrant workers’ remittances to their families. For example, “remittances from the labour force in Middle East reached 1.2 billion dollars by December 2022, with 796 million dollars from Saudi Arabia alone” (Nakamya 2023, p.7). Earlier on in 2020, it had been reported that “Ugandans working abroad contributed approximately 4.5 percent to Uganda’s Gross Domestic Product, placing it above the Sub-Saharan Africa average of 2.8 percent” (IOM Uganda, 2020, p. 1). It was equally re-echoed from other sources that, “from migrant workers, the government annually collects US$1.2bn globally – Middle East alone sends in $600 million. This money, wired directly to the Uganda Revenue Authority accounts, is collected from Middle East-based recruitment companies that are charged $30 [about UGX110,000=] for each worker” (Nangonzi & Serugo, 2022, p.6). These figures represent a significant amount of revenue from the migrant workers and is probably a big incentive for the government to continue allowing Ugandan migrant workers to move to Middle East. But, to have such financial benefits without cleaning up the entire labour migration process could as well be considered a sign of a non-resilient public sector. By implication, the public sector has limited offensive resilience since the emerging problem of the lost labour is underplayed.

Limited coherence across government ministries, departments and agencies

The MGLSD is currently at the forefront of managing female Uganda labour migration to the Middle East. The ministry is desirous of designing and implementing a number of reforms, legislations and intervention in matter of labour migration but is constrained by limited financial resources that plague most government ministries in Uganda. For example, in 2022, the labour officials were concerned that, whereas the MGLSD brings in the country lots of remittances and non-tax revenue, funding remains a hindrance to the Ministry. It was noted:

> *We know how to generate this money for the government but we do not see it. I would have loved to keep track of the girls and boys in Middle East by establishing labour attaches in all those countries and distress centres, among others, but we are cash-strapped. This money goes to the treasury and we must negotiate to get it…We must be entitled to 40 percent of the remittances because we know best how to generate more for you. These have been long proposals and discussions that have not yet materialized (Egulu, 2022 cited in Nangonzi & Serugo, 2022, p.6).*

This remark suggests that coherence in the activities of different public sector ministries, departments and agencies is weak. The remittance resources are not allocated in favour of facilitating the line ministry (MLGSD) to improve performance in the management of migrant labour that generates them.

Government's limited socio-economic strength

In the global context, Uganda as a country has limited powers. The country can only use a few limited diplomatic efforts to sort out any squabble with a country in Middle East. Middle Eastern countries have higher economic clout than Uganda. This relatively vulnerable position puts Uganda in a weak position. For instance, on Ugandan migrant labour problems:

> *It is only through engagement that any positive step can be taken...At times we visit prisons, like in Jordan we visited prisons and saw our people and negotiated for the review of their cases. One of them was even brought back. She had been given 20 years in prison...but on our side she was innocent. On their end she was very guilty. But through our diplomatic engagement she was brought back here and set free... because she had not committed any crime by our standards (MGO 02).*

Such negotiations, although rare, help a few lucky Ugandan migrant workers to access justice. These negotiations need to be intensified in order to convince the Middle Eastern countries to treat female Uganda migrant workers fairly. Meanwhile, with inadequate funds to support migrant workers, the distressed ones in Middle East can either report to the Ugandan embassy based in Riyadh or report to the MGLSD through its recently developed online system. Alternatively, a worker can complain through a relative based in Uganda who in turn logs into the system to file a complaint or manually report to the permanent secretary of the ministry for assistance. However, this is usually difficult since the distressed person rarely has an opportunity to communicate with the outside world.

10.0 Conclusions

While female Ugandan labour migrants to Middle East have largely been engrossed in problems of mistreatment and human rights abuse, not all migrant workers are treated poorly. The majority of migrants are treated with reasonable respect and dignity; are paid on time; are given time off and return to Uganda having earned up to three or four times what they could have earned at home if they had not migrated to Middle East. The successful cases have been the major point of reference and driver for the new migrations through references and invitations. Just like the migration network theory postulates, the transmission of the migration experience from migrants to relatives and friends in the countries of origin is indeed a motivator for international migration.

Even though the suffering female Ugandan migrant workers might be the minority [among migrants], the predicament of those citizens abroad that persist unresolved is sign of a low-resilient public sector of Uganda. It is also a sign of a mishandled national human resource at the hands of the public sector of Uganda. Government's piecemeal response has created room for dangerous migration. By implication, when a minority of ordinary citizens experience a disadvantage in a given circumstance, the public sector tends to respond slowly.

11.0 Recommendations for augmenting the resilience of the public sector

As already indicated, the public sector of Uganda through the MGLSD is involved in managing the issue of female labour migration to the Middle East. It is against that background that I present some recommendations here. The public sector should, through the relevant ministries, departments and agencies (e.g. Ministry of Foreign Affairs; Ministry of Justice; MGLSD; & Ministry of Internal Affairs), engage in bilateral and multi-lateral negotiations with all Middle Eastern countries for improved conditions of work for the migrant persons, especially female workers. This intervention might help in generating legal amendments and instruments that can be adopted to improve labour and human rights of migrant workers. For instance, as Kawar (2004, pp.73-75) reports, certain arrangements have been done by the Western European countries with Middle Eastern countries to streamline the working conditions for their nationals in those countries. Likewise, other countries such as Uganda can negotiate for more a humane treatment of her migrant workers in the Middle East.

In addition, the public sector should work out an arrangement with Middle Eastern states concerning the official ways and means of handling illegal practices and abuse by Arab nationals. Just as Jureidini (2003) advises, opportunities can be created for court proceedings in the event of withholding of wages, or breach of contract in one form or another. The migrant women should be sensitised and given opportunities to press charges in case of need including a provision for legal representation. These cases should have high media publicity to act as a deterrent when judgements are made in favour of aggrieved migrants.

The public sector of Uganda should further regulate the local recruitment agencies in a more stringent manner. The behaviour of the local recruitment agencies has been a mixed-bag of failures and successes. While some Ugandans (probably the majority) have succeeded in dealing with them, there is a category of female Ugandan migrant workers that have suffered at the hands of scrupulous or incompetent agencies. Such agencies need supervision, guidance, training or even prosecution so as to bring order to the sector. This intervention should be done in consultation with the receiving Middle East countries.

Besides, there should be some detailed pre-departure joint briefings that involve both the public sector representative (e.g. MGLSD) and the recruitment agencies to prepare the departing Uganda labour migrants to the Middle East for the new work environment. Today, the existing training offered by the agencies appears to be insufficient. It appears that the departing workers are not briefed enough about their rights and obligations through some form of orientations or seminars on proper employment codes of conduct and practice. So, the public sector needs to do more detailed briefings for mental preparation of the migrating Ugandans to Middle East. Equally important, arrangements should be negotiated with receiving countries to ensure that on arrival they are re-oriented before deployment. This arrangement would be in line with what Jureidini (2003) suggests that domestic workers should not go directly to the homes of their employers immediately upon arrival in a receiving country; rather, there should be administrative procedures in place by which they are briefed on the dos and don’ts. Such briefing can mitigate a number of would-be problems for different categories of female Ugandan migrant workers seeking jobs abroad.

It is further recommended that the public sector adopts strategic plans for the nation to facilitate sustainable employment of labour. The public sector leadership can direct the National Planning Authority (an agency of Government) to continuously generate and disseminate strategies (e.g. relevant education and training, investments opportunities, etc.) that minimise the flight of human capital abroad while creating alternative occupations at home. The ongoing skilling of Ugandans together with industrialisation processes should be accelerated and continuously promoted by the government in full force with the view of promoting job creation.

Even when the public sector opts to maintain the current labour externalisation strategy, there is need to focus on prior-prepared professionals who can access specialized jobs abroad in well-organised labour markets. And as Egulu (cited in Nangonzi & Serugo 2022, p.6) notes, “there is a need to expand the skills base beyond Middle East because Uganda is not a country that should pride herself in exporting domestic workers”. Indeed, Uganda should consider a wide range of external labour markets. Such markets can be an avenue for decent jobs for Ugandans migrating abroad with well-negotiated terms and conditions of service. This arrangement could generate high remittances plus expertise improvement among the Ugandan professionals working abroad.

References

Bales, K. (1997). *Disposable people: New slavery in the global economy*. University of California Press, Berkeley.

Balikuddembe, W. O. (2023). Middle East: Uganda's New Garden Where 'Everyone Wants to Try Their Luck' (1:2); March 28, 2023; *Danish Development Research Network*.

Bwowe, I. (2020). Combating trafficking of women and girls: Labour externalisation from Uganda to Middle East. MA dissertation (unpublished).

Bwowe, I. (2021). Human trafficking in labour externalisation from Uganda to Middle East. *Gender and Development: Tools and Strategies*. DOI:10.13140/RG.2.2.11159.29602

Castles, S. & Miller, M.J. (2009). *The age of migration: International population movements in the modern world.* (4th ed.). Basingstoke: Palgrave-Macmillan and Guilford.

Global Commission on International Migration (2005). Migration in an interconnected world: New directions for action. Report of the Global Commission on International Migration. Accessed from: www.gcim.org.

Government of Uganda [GoU]. (2021). *The Employment (Recruitment of Ugandan Migrant Workers) Regulations, 2021*. Statutory Instruments Supplement No. 26. Government of Uganda Publications.

Horne, J. F., & Orr, J. E. (1998). Assessing behaviours that create resilient organizations. *Employment Relations Today* 2 (4): 29–39.

IOM Uganda. (2020). Over 100 stranded Ugandan women provided with return assistance from Kingdom of Saudi Arabia.

Jureidini, R. (2003). Migrant Workers and Xenophobia in Middle East (Identities, Conflict and Cohesion Programme Paper Number 2). United Nations Research Institute for Social Development. Printed in Switzerland GE.03-003171-December 2003-1,000 UNRISD/PPICC2/03/2

Kawar, M. (2004). *Gender and women: Why are women more vulnerable?* url={https://api.semanticscholar.org/CorpusID:260867316}

Malit, F. T. Jr. & Al Youha, A. (2013). Labor migration in the United Arab Emirates: Challenges and responses (September) Feature.

Massey, D., S., Alarcon, R., Durand, J. & Gonzalez, H. (1987). *Return to Aztlan: The social process of international migration from Western Mexico*. Berkeley and Los Angeles: University of California Press.

McQue, K. (2024). 'Every day I cry': 50 women talk about life as a domestic worker under the Gulf's kafala system. In *The Future of Work*. Accessed on: 27.08.2024 https://www.theguardian.com/global-development/2024/apr/25/kafala-labour-system

Nakamya, C. S. (2023). Uganda women pay the price of exploitation; *Institute for War & Peace Reporting*.

Nakaweesi, D. (2023). "84,966 Ugandans left for Middle East in search of jobs in 2022" "*The Daily Monitor 2023*, 6th March)

Nangonzi, Y. & Serugo, S. (2022). Uganda exports 2,000 housemaids monthly. July 13, 2022. https://observer.ug/news/headlines

Nampewo, Z. (2021). The illusion of greener pastures: violence and justice for female Ugandan migrant workers in Middle East. *Strathmore Law Journal*, *1*, 11-47.

Okafor, C. (2023). Thousands of Ugandans are migrating to Middle East in search of menial jobs: *Business Insider Africa*

Rajala, T. & Jalonen, H. (2023). Stress tests for public service resilience: Introducing the possible-worlds thinking. *Public Management Review, 25* (4), 762-786. Https://Doi.Org/10.1080/14719037.2022.2048686

Sha, H. (2021). Migration for development & equality, November 2021 www.mideq.org | MIDEQ: Migration for development and inequality 1 Migrant networks as social capital: the social infrastructure of migration.

Somers, S. (2009). Measuring resilience potential: An adaptive strategy for organizational crisis planning. *Journal of Contingencies and Crisis Management 17* (1): 12–23. doi:10.1111/j.1468-5973.2009.00558.x.

Uganda Bureau of Statistics [UBOS] (2024). *National population and housing census: Preliminary report*. Government of Uganda Publications.

Vogus, T. J., & K. M. Sutcliffe. 2007. Organizational resilience: Towards a theory and research agenda. *IEEE Systems, Man, and Cybernetics Proceedings*, Montreal, QC, Canada, 2007: 3418–3422.

Wickramasekera, P. (2002). Asian labour migration: Issues and challenges in an era of globalization. *International Migration Programme International Labour* World Bank (2020).

Yin, R. K. (1998). The abridged version of case study research: Design and method. In, *Handbook of Applied Social Research Methods*, edited by L. Bickman & D. J Rog, pp.229–259. London: Sage Publications.

The Ugandan Journal of Management and Public Policy Studies (UJMPPS)
December 2024, Vol. 25, No. 1, pp. 151-168
ISSN: 2078-7049 (Print), 2959-4316 (Online)

Published by Uganda Management Institute

Teacher Rewards and Learner Academic Performance in Private Secondary Schools in Arua City

Hellen Onzia, Paul Edabu & Epiphany Odubuker Picho

Muni University

Corresponding e-mail: p.edabu@muni.ac.ug / onziahellen51@gmail.com

Article History

Received: June 16, 2024
Revised: October 23, 2024
Accepted: November 21, 2024

Abstract

Declining learner academic performance has been manifested in most private secondary schools in Arua City, and teachers are facilitators of learning who need to be rewarded, necessitating this study on teacher rewards and learner academic performance. Its objective was to examine the relationship between teacher reward and learner academic performance in private secondary schools in Arua City. Informed by Abraham Maslow's theory, the study used a cross-sectional survey design and quantitative and qualitative methods on a sample of 156 respondents. The schools were clustered into rural and urban areas and stratified according to similar characteristics. Purposive sampling was used to select administrators and a random sample to appoint teachers. Quantitative data analysis employed descriptive statistics involving frequencies and percentages and inferential statistics using Pearson correlation, while qualitative research applied group data into themes. Based on the findings, it was clear that a strong positive correlation ($r = 0.6$) existed between teacher reward and learner academic performance. In particular, improvement in praises and gifts to teachers improved learner academic performance. The coefficient of determination $R^2 = 0.445$. Significance of the correlation $p = 0.000$ that justifies the conclusion that teacher reward significantly explained learner academic performance in private secondary schools in Arua City. Reward, especially low salaries and fringe benefits, limited financial performance bonuses advanced to teachers, accounted for decrease in learner academic performance by

36.0%. The study recommends supporting teacher reward initiatives in private secondary schools, especially regarding financial performance bonuses, salaries and fringe benefits that were not catered for to improve learner academic performance.

Keywords: *Teacher Reward, Learner Academic Performance*

1.0 Introduction

In Arua City, the performance of private secondary schools has been declining compared to that in giant public secondary schools. The study investigated the relationship between teacher reward and learner academic performance in order to ascertain the relationship between them. It examined teacher reward in form of financial performance bonuses, salary, praises, events outside school, gifts and learner academic performance measured by UCE results, learner participation, learner discipline, passion for learning and self-efficacy in Ordinary Level private secondary schools in Arua City since most of the private schools in Arua City are majorly O-level schools. Rewards need to be more pronounced and enough awareness needs to be created regarding them. Nwokeocha (2022), for teachers' passion to work hard to achieve good learner academic performance and quality education, emphasizes the need for continuous professional development, adequate motivation, and a supportive work environment. Despite these efforts, schools have generally performed poorly over the years, a subject of concern for many scholars. Yet Chika (2018) asserted that the productivity of teachers measured by their performance depends on their reward as a major factor in achieving the institutional goals inclusive of learner academic performance. This justified the need for this study.

1.1 Background to the study

Historically, more emphasis has been put on teacher reward and learner academic performance. Several studies explored the effect of reward on learning. Globally, Schmidhuber (2019) used rewards as task-defining inputs. In Gambia, Gundersen et al. (2019) investigated rewards in form of praise, and discovered that rewards in form of praise were less prevalent. In East Africa Peer et al. (2020) studied reward systems and its effect on teachers' job satisfaction, and concluded that reward systems need to be commensurate with effort an individual puts in the job. Emphasis was made on the role motivation tools like reward play in making workers put efforts to work (Edabu & Anumaka, 2014). In Uganda, Magyezi (2014) investigated rewards and job satisfaction, and discovered significant relationship between job satisfaction and monetary rewards like salaries.Aliwaru (2019) studied motivation elements like rewards on the performance of lecturers in tertiary institutions in Arua. The author recommended the introduction of more financial rewards for better learner academic performance.

As several scholars have studied teacher rewards in various contexts to date, teacher reward explains the willingness of teachers to work hard for better performance (Awase et al., 2003). The case of teacher reward and learner academic performance in private secondary schools in Arua City was uncertain. Hence the researcher investigated to uncover circumstances underpinning teacher reward and its influence on learner academic performance to inform school stakeholders and for better policy decisions. He specifically emphasized teacher rewards related to learner academic performance measured by UCE results, learner participation, learner discipline, passion for learning, and learning and self-efficacy.

Theoretically, Abraham Maslow proposed that unmet needs make individuals to focus exclusively on achieving such needs, whose accomplishment motivates them more than already achieved needs. Lower-level needs should be satisfied before higher-level needs are felt and pursued (Kendra, 2022). The theory highlighted the best methods schools can adopt to reward teachers for improved performance. Before teachers satisfy their higher-level esteem needs of achievement, competence, measured by learner academic performance, they must first fulfil their basic physiological needs. A hungry teacher who is not rewarded cannot achieve academic excellence. School administrators need to cater for teachers according to the proposition of Maslow. Unless the lower-level needs of teacher reward are attained, teachers may not strive for self-actualization needs of achievement such as learner academic performance.

Conceptually, teacher reward has been defined by several scholars. The adopted definition of teacher reward in this study is by Peer et al. (2020) who proclaimed that an organization's reward system needs to be commensurate to effort levels of individual teachers based on performance. Elock (2021) defined teacher reward in form of financial incentives that have been proven to motivate teachers for better learner academic performance. In this study, teacher reward was conceptualized as financial performance bonus, remuneration/salary, praises, events outside school, and gifts.

Learner academic performance is desirable for the achievement of Sustainable Development Goals 2030 agenda, goal 4, which calls for improving the quality of education through inclusive and equitable education to promote lifelong learning opportunities for all, for which teacher reward is essential (Bakar et al., 2022). According to Poro et al. (2019), ensuring that teachers have the required competences for effectiveness in the classroom is major in improving academic performance. According to the researcher, this could be achieved through teacher reward. In this study, learner academic performance has been conceptualized in terms of UCE results, learner participation, self-discipline, passion for learning, learner self-efficacy.

Contextually, the curiosity of the ministry of education is to witness teachers exhibit good performance demanding high level of loyalty, commitment from its teachers (National Teacher Policy, 2019). This is possible with teacher reward practices which are a means of achieving educational goals of enhancing learner academic performance and competence (National Teacher Policy, 2019). Similarly, Celestin (2022) recommended the need to have a process where teachers' intrinsic and extrinsic nature of reward influences their behaviour positively for high performance in schools. Yet learner academic performance remains low in private secondary schools in Arua City as indicated in Table 1.

Table 1: UCE performance for schools in Arua City 2019 to 2020

	2019					2020				
School	**Div 1**	**Div2**	**Div3**	**Div4**	**Position**	**Div 1**	**Div 2**	**Div3**	**Div 4**	**Position**
St Joseph's College Ombaci	41	42	5	3	94	67	50	4	1	86
St Peter and Paul Pokea	4	9	4	-	177	8	10	4	-	170
St. Mary's Ediofe	28	83	34	3	206	31	99	33	2	178
Cornerstone	13	28	13	3	213	-	-	-	-	-

Source: UNEB Portal, (2018)

The low performance could be attributed to teacher reward; however, it is uncertain whether research has been done recently on the matter. Hence the researcher investigated by studying teacher reward in form of financial performance bonus, salaries, praises, events outside school and gifts in order to expose issues surrounding teacher reward and its influence on learner academic performance for redress in private secondary schools in Arua City.

1.2 Statement of the problem

Ideally, teachers are considered facilitators of learning whose competence needs to be developed by rewards among other factors (Nwokeocha, 2022). There is need for teacher reward for competence and better performance (Byaruhanga, 2018). In line with this, the government of Uganda in an attempt to achieve its Sustainable Development Goal (SDG) 4 of ensuring quality education, has implemented several strategies in schools including: enhancement of teachers' salary, supplementing scholastic materials, infrastructure, training teachers for 21st Century skills, standardizing education policies like upgrading teacher qualification to a minimum of degree level (National Teacher Policy, 2019), improving teacher reward, standard of education and learner academic performance.

Actually, despite all these efforts, learner academic performance continued to decline in Arua City, indicated in Table 1. The low performance could be related to teacher reward or other factors. This was a matter of concern that, if left unattended to, might continue to affect learners' progress to A-level and higher institutions of learning. This therefore necessitated carrying out this study on teacher rewards and learner academic performance in Arua City to expose the gaps in this context early enough for redress before the situation worsens.

1.3 Research Hypothesis

There is a significant relationship between teacher reward and learner academic performance in private secondary schools in Arua City.

1.4 Scope of the study

Content-wise, this research investigated relationship between teacher rewards believed to have influence on learner academic performance measured by UCE results, learner participation, learner discipline, passion for learning, learner self-efficacy as dependent variables, believed to be key elements that influence learner academic performance. Geographically, the study was conducted in Ordinary Level private secondary schools in Arua City, specifically Manibe Public, ‘All’ Saints Ociba, Oluko Secondary, Aliba, Cornerstone, Arua Islamic, Standard College Arua, Nile High Arua, showing low academic performance in UCE for private secondary schools indicated in Table 1. Time-wise**,** the research considered the period between 2018 and 2021 with persistent decline in learner academic performance in UCE.

1.5 Significance of the study

This research exposed weaknesses and strengths in teacher reward systems in private secondary schools in Arua City for school stakeholders and policy makers to improve on in their practices. Confirmed theories that explained teachers’ behaviour in terms of reward factors that induce teachers to be productive in improving performance, added on the knowledge of teacher reward and learner academic performance advanced by other scholars.

1.6 Justification of the study

There has been persistent low academic performance of private secondary schools in Arua City evidenced by UCE results from 2018 to 2020; which might affect learner progress to higher institutions. Yet there has been no evidence of a similar study to address these problems. This justified the need for this study to enlighten on teacher rewards and learner academic performance; and the findings might be used to address the problems identified during the study for better learner academic performance in Arua City and elsewhere.

2.0 Literature Review

Margolang et al. (2019) examined correlation between reward and student learning. Applying the quantitative approach on a sample of 115 students, simple random sampling, employing product moment correlation technique showed a positive significant correlation between reward and student learning. The findings correspond to Oboko (2020) who studied teacher rewards and commitment to primary schools in Kabooge sub county, Nakasongola district in Uganda, using descriptive correlational design, and sample size of 112 teachers. He showed that rewarding workers improved performance with $r = 0.900$, $p = 0.000$. He suggested handling teacher reward before student performance worsened. This was unlike Rwothumio et al. (2020) who examined the role of financial rewards in enhancing academic staff performance in private universities in Uganda, employing a mixed design, convergent parallel approach for data analysis, from a sample of 299 academic staff. Results indicated a weak positive relationship between financial reward and teaching output like students’ performance in public universities where ($r= 0.282$, $p = 0.01$).

From the differences in findings, research design, etc. exposed by the literature review, the researcher studied teacher rewards in form of financial performance bonus, salaries, praises, events outside school gifts related to learner academic performance in private secondary schools in Arua City. He employed cross-sectional research design, quantitative and qualitative approaches on a sample of 156 respondents to determine issues concerning rewards and performance in private secondary schools in Arua City.

Financial reward is very vital to appreciate efforts of employees for performance (Rwothumio et al., 2020). Resulting from this assertion, Jiban (2021) contended that rewards encourage productivity and efficiency in an organization. He examined perception of rewards by teachers in Napali and looked forward to performance-based rewards like financial performance bonuses. The findings of Jiban (2021) were similar to those of Eren (2019) who investigated the effects of performance pay elements in schools using administrative data that revealed teachers might have improved their teaching strategies with implementation of performance-based compensation like financial performance bonus. Accordingly, from the variations in sample size, methods of data collection, different locations, the researcher carried out this study on teacher rewards in form of financial performance bonuses to bridge these gaps, and confirm the results.

Asaari et al. (2019) posits that reward is vital for employees to achieve goals. He examined reward by salaries among other elements related to performance, using self-administered questionnaire. He concluded that there was a positive and significant relationship between rewards and performance. These findings were in line with Kaamaruddin et al. (2023) who investigated the effects of salaries on teacher performance employing quantitative research approach, questionnaires in Della Strada, North Jakarta, that showed salary had positive significant relationship on teacher productivity. Much as Asaari et al. (2019) and Kaamaruddin et al. (2023) had similar findings, it cannot be generalized to the case of teacher rewards in form of salaries in Arua City, which necessitated this study to prove their findings and add on to the body of knowledge related to rewards and learner performance.

In their study where they used cross-sectional descriptive design, Nduhura et al. (2022), examined relationship between financial and non-financial rewards inclusive of praises on performance from 10 schools using interview and documentary review for data collection. The findings indicated a significant and positive relationship between financial rewards and performance ($r = 0.692$) non-financial rewards such as praises having significant and positive relationship with performance where ($r = 0.616$) significance level of 0.000. In a different opinion Moore et al., (2019) reviewed evidence to support praise in schools. The findings showed insufficient evidence to support teacher praise as being recognized in schools. This therefore exposed gaps in the concept of teacher rewards in form of praises and learner academic performance. The researcher investigated on a target population of teachers and administrators based on the recommendation of Moore et al. (2019) to have further research on praises for rewards and its influence on learner academic performance.

Misaki *(*2020) affirmed that the success of any organization was significantly based on the ability to achieve its strategic objective, through non-financial rewards such as organizing events outside school for teachers like wedding parties, an intrinsic reward for better performance. But most organizations focused on extrinsic rewards such as money that mostly does not energize for better performance. Unlike Misaki *(*2020), Siddiqui et al. (2019) in a study on less privileged pupils in England, showed they had lower levels of achievement than their counterparts for not being exposed to wider learning experiences outside classroom learning. It is not clear whose views are correct regarding rewards in form of organizing events outside school that the researcher investigated to build on the case in private secondary schools.

It has been discovered that gifts of any value can create a long-time relationship where an employee becomes loyal to the giver (Guide on managing gifts in the Public Service, 2019). On the other hand, Behaviorism theory in proposing reward among other factors for the success of learning, discovered theoretically rewards increased interest to learn. This is similar to the findings of a research by Sidin (2021) that indicated that if rewards are applied carefully, they have positive effects on performance. This is just like the findings of Margolang et al. (2019), who examined the correlation between reward and students' learning using quantitative method whose results indicate a significant correlation between reward and students' learning. Their views have been similar on teacher reward. Therefore, the researcher found it mandatory to prove their findings on teacher reward in form of gifts related to learner academic performance.

2.1 Learner Academic performance

Agenda 4 of the Sustainable development goals 2030 calls for improving the quality of education including all categories of learners for equality and opportunities for lifelong learning, achieved through improved learner academic performance for which teacher reward is essential (Bakar et al., 2022). Despite the assertion by Bakar et al. (2022), Wara, (2018) affirmed that low performance was not attributed to urban schools alone but was worldwide. Therefore, there was need to review literature on academic performance. Because of the differences in the opinions of Bakar et al. (2022) and Wara (2018), it was not known whose view was correct regarding teacher reward and learner academic performance. This necessitated this study on teacher reward and learner academic performance in terms of UCE results, learner participation, self-discipline, passion for learning, learner self-efficacy to prove their findings.

Promoting effective learning and academic success in today's complicated world is a topic of concern in education (Akpur, 2021). This assertion relates to the National Teacher Policy (2019) that raising the quality of teachers improves performance. However, some of the important teacher quality aspects cannot be captured by indicators like reward, among others. This concurs with Akankwasa, (2018) that the qualities of an effective teacher affect learning outcomes shown by students' academic performance. To verify the above research findings and fill the knowledge gaps in teacher reward and learner academic performance, it was mandatory to carry out this study on learner academic performance measured by UCE performance.

Class participation has also attracted much attention as one of the essential elements for the successful conduct of a learning activity (Akpur, 2021). This view concurs with the findings of a study on vulnerable learners in England that revealed after an opportunity to participate in outside school activities that there was slight progress in pupils' reading and mathematics performance (Siddiqui et al., 2019). This result by Akpur (2021) and Siddiqui et al. (2019) differs from a study by Akankwasa (2018) in Uganda whose findings showed teachers having greater impact on students' academic performance and lifelong success. This difference in findings on learner academic performance necessitated this study emphasizing learner participation as an indicator of academic performance.

Tohir et al. (2022) investigated learning interest and discipline on learning and established that good learning outcomes can be achieved through several factors which include discipline. This finding was similar to the findings of Kennedy and Hesbon, (2021) who contend that the level of learner self-discipline is necessary for the attainment of academic performance in schools. But the findings of Tohir et al. (2022), Kennedy and Hesbon (2021), which are similar, differ from that of Kumar et al., (2019) who investigated the relationship between achievement motivation and academic achievement in English among high school students and the results suggested that achievement goals were key drivers of academic performance. Because of the gaps in the findings from the literature review, the researcher investigated learner academic performance in terms of learner self-discipline to bridge the gap.

A research which examined passion for learning in high school students in Saudi Arabia shows passion for learning was high among high school students in studying new curricula (Najmuldeen, 2021). This was similar to the findings that revealed passion in learning and discipline had a positive influence on learning academic performance (Tohir et al., 2022). On the contrary, according to Hu and Moreno-murcia (2020), passion did not show any significant indirect effect on learner performance. Though Najmuldeen (2021) While Tohir and Tohir (2022) held similar views, they carried out their studies in different periods. Changes in demography and policies could have altered the results, necessitating this study on learner academic performance measured by passion for learning in 2024.

3.0 Methodology

Using mixed methodology of quantitative and qualitative approaches for clear interpretation, in-depth investigation and triangulation purposes, the study obtained data that complemented the research topic for better understanding of the research problem (Creswell, 2002). Descriptive cross-sectional survey design used picked representative sample across the study population to record exposure to many experiences within a short period of time (Amin, 2005). The study population comprised 200 teachers, 24 administrative staff (224 in all) who were knowledgeable about the variables under investigation for reliable data (Mugenda & Mugenda, 2003). The sample size was 156 using Krejcier and Morgan (1970) relevant group about which generalization was drawn with credible information (Amin, 2005). Purposive sampling was used to select administrative staff knowledgeable to achieve the objectives of the study (Campell, 2010). Teachers were randomly selected without bias for the credibility of the results (Shaheen et al., 2019). Questionnaires and interviews were varied for methodological triangulation (Amin, 2005). To determine the validity of the instruments, the researcher calculated content validity index of the questionnaires to be 0.8, compared to standard measure by Amin at 0.7 to 1, for valid data.

Internal consistency reliability was done for stable items by piloting the instruments in St Joseph's College Ombaci. Analyzed data was subjected to a reliability test (Cronbach alpha) using SPSS for items where the Cronbach alpha coefficient for the variables exceeded 0.7, making the items reliable as recommended by Amin (2005). Descriptive statistics was used to analyse quantitative data involving frequencies and percentages to determine scores;

then a range was found for easy analysis (Ganyaupfu, 2014). Pearson Correlation Coefficient was used to determine the strength, direction of the relationship and tested the hypothesis (Phil et al., 2022). Qualitative data from interviews was analysed thematically to elaborate on quantitative data (Eyssi, 2016).

4.0 Results

Response rate was used to mean number of people who started and completed responding to this research divided by the number of people who constituted the total sample (Sulliva, 2023). In this particular research, the sample size consisted of 156 respondents although the study attained a response rate of about 97.4% above 67% recommended to be representative of the population (Amin, 2005).

4.1 Demographic results

To understand how representative the sample was to the broader population (Warren, 2021), the researcher obtained relevant background information on gender of respondents, experience in the same school, level of education, and the responses indicated in Tables 2, 3, 4. The results on gender of respondents are as shown in Table 2.

Table 2: Shows findings on respondents according to Gender

Gender	Frequency	Percentage
Males	98	74.2
Females	34	25.8
Total	**132**	**100.0**

Source: Field Data, (2023)

Table 2 shows demographic information related to respondents' gender, revealing that most respondents were males 98 (74.2%) while females were 34 (25.8%). This implies the participation of both males and females in generating the study's findings, though females were fewer. The results on respondents' experience level are as shown in Table 3.

Table 3: Showing results on the level of experience of respondents

Period of time in the same school	Frequency	Percentage
Less than 5 years	81	61.4
5-10 years	32	24.2
11-15 years	10	7.6
15-20 years	4	3.0
Over 20 years	5	3.8
Total	**132**	**100.0**

Source: Field Data, (2023)

Table 3 indicates that a greater percentage of the respondents 81(61.4%) ha working experience of less than 5 years in the same school, whereas 32(24.2%) had worked for 5-10 years. Ten (7.6%) had worked for 11-15 years, 4 (3.0%) had worked for 15-20 years and 5 (3.8%) had worked for over 20 years in the same school. This implied that a greater majority of 81 (61.4%) were relatively new in the same school; they had new ideas for innovation and creativity, and were easily motivated for better performance. The results on level of education of respondents are as shown in Table 4.

Table 4: Results on Respondents' level of Education

Level of Education	Frequency	Percentage
Secondary level	1	0.8
Diploma holder	100	75.8
Bachelor's Degree	27	20.5
Master's level	3	2.3
PhD level	1	0.8
Total	**132**	**100.0**

Source: Field Data (2023)

Table 4 shows that a greater percentage of the respondents (teachers) 100 (75.8%) in the private schools were diploma holders, 27 (20.5%) were degree holders, 3(2.3%) were Master's holders, 1 (0.8 %) was a PhD holder, and 1 (0.8%) was a secondary school leaver. This implied that a greater majority were learned and could give credible information for this study.

4.2 Descriptive statistics results on learner academic performance

Responses were drawn on 10 items about learner academic performance in private secondary schools in Arua City by showing agreement or disagreement on a five-point Likert scale in Table 5.

Table 5: Descriptive statistics results for learner Academic Performance

Learner Academic Performance	**SD**	**D**	**N**	**A**	**SA**	**TOTAL**
In UCE performance ranking my school is always in the national grid	31 (23.5%)	20 (15.2%)	15 (11.4%)	36 (27.3%)	30 (22.7%)	132 (100%)
In this school usually over 40% of the candidates are in grade one, 50% in division two, the rest in the remaining grades	27 (20.5%)	53 (40.2%)	26 (19.7%)	17 (12.9%)	9 (6.8%)	132 (100%)
In my school learners actively participate in class during lesson times.	3 (2.3%)	7 (5.3%)	12 (9.1%)	74 (56.1%)	36 (27.3%)	132 (100%)
I have always been impressed by my learner's willingness to attend to preparations for exams, personal revision and research.	4 (3.0%)	14 (10.6%)	24 (18.2%)	66 (50.0%)	24 (18.2%)	132 (100%)
In my school learners are self-disciplined time conscious, obey school rules and regulations.	4 (3.0%	17 (12.9%)	23 (17.4%)	51 (38.6%)	37 (28.0%)	132 (100%)
On average, over ninety percent of my learners attend lessons daily.	5 (3.8%)	13 (9.8%)	16 (12.1%)	68 (51.5%)	30 (22.7%)	132 (100%)
Continuous assessments, seminars are scheduled regularly, learners are willingly to attend.	4 ((3.0%)	28 (21.2%)	26 (19.7%)	50 (37.9%)	24 (18.2%	132 (100%)

Learner Academic Performance	SD	D	N	A	SA	TOTAL
In this school all learners willingly, have access to the library and the computer laboratory for research.	11 (8.3%)	22 (16.7%)	23 (17.4%)	53 (40.2%)	23 (17.4%)	132 (100%)
Learner self-efficacy in following missed lessons is high.	7 (5.3%)	24 (18.2%)	22 (16.7%)	46 (34.8%)	33 (25.0%)	132 (100%)
Most learners are confident in all school activities,	13 (9.8%)	28 (21.2%)	20 (15.2%	49 (37.1%)	22 (16.7%)	132 (100%)

Source: Field Data, (2023)

All the teachers whose views strongly disagreed and disagreed to the items were grouped in a category of teachers that "objected" to the items. Strongly agreed and agreed were grouped as teachers who "Consented" to the items. The third group was for teachers who remained neutral. The interpretation of the results was done by comparing the three groups after computation of the results as follows:

Table 5 revealed that most teachers consented to 8 items (3 – 10) concerning learner academic performance as opposed to those who objected and or were neutral cases. Most of them objected to items I and 2. The percentage of those who objected to item one (1) was 51%, neutral cases were 15%, totalling to 66%. Those who consented were 63%, lower than total of objection and neutral cases. Those who objected to item two (2) were 80%, neutral cases 26%, consented to the item were 26%, making the total of those who objected much higher than those who consented and were neutral. Most of the teachers consented to (8) items on learner academic performance than the neutral cases and objection cases. Equating it to a range indicates that teachers who objected ranged between 10% and 42% a low range; neutral cases ranged between 12% to 24% a low range; consented cases ranged between 71 % and 110%, a higher range compared to objection and neutral cases. Regarding this analysis, the following interpretation was drawn:

Findings portrayed that learners actively participated in class during lesson times; learners' willingness to attend to preparations for exams, personal revision, and research was high; learners were self-disciplined, time-conscious, and obeyed school rules and regulations. Over ninety percent of the learners attended lessons daily. Continuous assessments, seminars were scheduled regularly; learners willingly accessed the library and the computer laboratory for research; learner self-efficacy was high. Most learners were confident in all school activities.

Based on the interpretation of the findings, most teachers did not agree to the view in UCE performance rankings of their schools on the national grid. Over 40% of the candidates were in grade one, 50% in grade two, and the rest in the remaining grades, revealing low Learner academic performance in private secondary schools in Arua City.

Interview results emphasized more the nature of learner academic performance. For example, with UCE results, factors such as learner participation, willingness to engage in school activities, a high level of self-discipline, consistent lesson attendance, access to educational facilities, self-efficacy, and the ability to self-evaluate with confidence play a crucial role in academic performance. Category A respondent from school five said, *"Learners fairly observe school rules, though some still do not turn early for lessons, on average the discipline is fair simply because they realized that the COVID 19 era exposed them to various issues that continued to school. The school has empowered the disciplinary committee not to tolerate any indiscipline cases, that is why there is improvement. Over 90% do attend daily, lower secondary curriculum demands are full of tasks and activities in every lesson, there is daily assessment of learners, learners borrow and return books from the library" (Interview with category A respondent from school five 13th April, 2023).*

Category A respondent from school five confirmed, *"UCE performance ranking in this school has been fair, less than 50% pass in grade one to three"* (Interview with respondent category A, school five 13th April, 2023).

Thus, interview results concluded that learners performed poorly in UCE in private secondary schools in Arua City. However, learners participated actively in school activities, and learner discipline and passion for learning were fair, which matched descriptive statistical results.

4.3 Descriptive statistics result on teacher reward

Teachers' responses were drawn to ten items explaining teacher reward by indicating their agreement/disagreement on a five-point Likert scale as shown in Table 6. The analysis and interpretation of the findings follow the findings presented in the Table.

Table 12: Descriptive statistics results on teacher reward

Teacher Reward	SD	D	N	A	SA	TOTAL
In my school, a teacher whose candidates perform well is given financial bonus	33 (25.0%)	29 (22.0%)	21 (15.9%)	27 (20.5%)	22 (16.7%)	132 (100%)
Consistent, timely performance bonus was offered for teacher motivation.	21 (15.9%)	35 (26.5%)	19 (14.4%)	41 (31.1%)	16 (12.1%)	132 (100%)
salary paid to measure with work done, experience, education level that motivated teachers.	22 (16.7%)	32 (24.2%)	21 (15.9%)	26 (19.7%0	31 23.5%	132 (100%)
The basic salary provided is guaranteed	14 (10.6%)	16 12.1%)	37 (28.0%0	41 (31.1%)	24 (18.2%)	132 (100%)
In this school teachers are praised in public/meetings/assemblies for their success and is celebrated.	11 (8.3%)	18 (13.6%)	25 (18.9%0	53 40.2%	25 18.9%	132 (100%)
The school recognized good performance by praising regularly.	14 (10.6%)	29 (22.0%)	14 (10.6%)	50 (37.9%)	25 (18.9%)	132 (100%)
The school organizes events outside school for teachers inform of birth day partied, graduations, weddings etc.	35 (26.5%)	43 (32.6%)	28 (21.2%)	16 (12.1%)	10 (7.6%)	132 (100%)

Teacher Reward	**SD**	**D**	**N**	**A**	**SA**	**TO-TAL**
Simple staff activities like staff games are organized to build relationship and feeling of appreciation	16 12.1%)	24 (18.2%)	20 (15.2%)	48 (36.4%)	24 (18.2%)	132 (100%)
The management often gives their time, knowledge and is available for teachers when need arises	6 (4.5%)	12 (9.1%)	16 (12.1%)	82 (62.1%)	16 (12.1%)	132 (100%)
The administration often considers giving gifts in kind and in any form on occasions deemed necessary	9 (6.8%)	22 (16.7%)	33 (25.0%)	50 (37.9%)	18 (13.6%)	132 (100%)

Source: Field Data, (2023)

Table 6 revealed that a greater percentage of teachers consented to 5, 6, 8, 9, 10 than teachers who objected or were neutral. The percentage of teachers who objected was from 18% to 29%, that was lower; neutral ones ranged between 14% and 25%; those that consented to the items rose from 68% to 98% which was a much higher range than objection and neutral cases. Based on these comparisons, it is clear that the percentages of those that objected or were neutral were slightly lower than those that consented to the items. The majority objected to items 1, 2, 3, 4, 7 compared to those who consented. The range of those who objected to these items was 30% to 78%. Neutral cases ranged from 19% to 37%, and those who consented ranged from 26% to 65%. Interpretation of findings portrays that a greater percentage of teachers did not consent to the fact that consistent, timely performance bonus was offered for teacher motivation and learner academic performance. In their school, the salary paid was measured by work done, experience, and education level. The basic wage provided was guaranteed. The school organized events outside the school for teachers, such as birthday parties, graduations, weddings, etc.

Most of the teachers consented to the view that in their school, Teachers were praised regularly and success celebrated publicly. Simple staff activities like staff games were organized to build relationships and feelings of appreciation. The management often gave their time and knowledge, and they were available for teachers when the need arose. The administration often considered giving gifts in kind and any form on occasions deemed necessary for teacher reward.

Interview results from knowledgeable respondents supported the findings from questionnaires and highlighted the results of teacher rewards -- for example, giving financial performance bonuses, salaries paid to teachers, organizing events outside school, and praise. Category B respondent from school six revealed,

> *"There is provision for meagre financial performance bonus for teachers whose candidates score from distinction one to credit five, not offered consistently and timely" (Interview with category B respondent from school six11 April, 2023).*

Category C respondent from school C said,

> *"The salary paid to teachers is meager, we struggle to pay it, we do not organize*

events outside school for teachers like weddings, birth day parties and many more" (Interview with school one respondent category C, 18th April, 2023).

Thus, the findings from questionnaires and interviews on teacher reward confirmed that financial performance bonus, salaries and organizing events outside school were inconsistent and inadequate. Praises, simple staff activities, gifts were provided for better learner academic performance.

4.4 Teacher reward and learner academic performance

The hypothesis, "There is a significant relationship between teacher reward and learner academic performance in private secondary schools in Arua City," was tested. The Pearson correlation coefficient (r) and the coefficient of determination (R2) were used to determine the level of variation in learner academic performance caused by reward. The results of testing the hypothesis are shown in **Table 7.**

Table 7: Showing Correlation coefficient and coefficient of determination results of Teacher reward

	Teacher Reward
Learner Academic Performance	r = 0.6 R^2= 0.360 P = 0.000 N = 132 Correlation is significant at 0.01 level

Source: Field data (2023)

Table 7 portrays a strong positive correlation (r = 0.6) between teacher reward and learner academic performance in private secondary schools in Arua City. The coefficient of determination (R^2 = 0.360) was computed and expressed as a percentage to determine the variance in learner academic performance due to teacher reward. Findings showed that teacher reward explains the variance in learner academic performance by 36.0%. Subjecting the finding to a significance test (p) indicated significance of the correlation (p = 0.000), which was less than the recommended critical level at 0.05, making the results to be accepted with confidence. The hypothesis, "There is a significant relationship between teacher reward and learner academic performance in Arua City" was accepted.

5.0 Discussion

The findings and assessment of the relationship between teacher reward and learner academic performance revealed Pearson correlation coefficient r = 0.6, indicating a strong positive correlation between teacher reward and learner academic performance. The significance of correlation p = 0.000, making the results acceptable with confidence. It explained the variance in learner academic performance by 36.0%. The results concurred with Margolang et al. (2019), Oboko (2020) and Sidin (2021). Margolang et al. (2019) examined the correlation between reward and student learning by applying a quantitative approach to a sample of 115 students, using simple random sampling and product-moment correlation, whose results showed a positive significant correlation between reward and student learning. This was similar to the findings of research by Sidin (2021) that indicated that if rewards were applied carefully, they would have positive effects on performance. The results of this study built on the knowledge of teacher reward and learner academic performance advanced by the previous scholars and confirmed Maslow's theory that unless lower-level needs like reward are met, teachers cannot strive for self-actualization needs like achievement in learner academic performance. Therefore, this supported a call for all school stakeholders to consider rewarding teachers for better learner academic performance.

On the other hand, these results disagreed with Rwothumio et al. (2020) who examined the role of financial rewards in enhancing academic staff performance in private universities in Uganda. He employed a mixed design, convergent parallel approach for data analysis from a sample of 299 academic staff, directors, and vice-chancellors. The results indicated a weak positive relationship between financial reward and students' performance in public universities where ($r= 0.282$, $p = 0.01$). The variations in the results with Rwothumio et al. (2020) might have resulted from differences in research design and methods of data collection that still warrant a conclusion teacher reward had a positive and significant relationship with learner academic performance in Private secondary schools in Arua City.

Descriptive statistics and interview findings indicated that most private school teachers agreed that the school recognized good performance by praising teachers regularly. Simple staff activities like games were organized for teacher rewards. The management often gave their time and knowledge, and they were available for teachers when needed. The administration often considered giving gifts in kind and in any form on occasions deemed necessary for better learner academic performance.

The findings concurred with Nduhura et al. (2022) in their study, which, using cross-sectional descriptive design, examined the relationship between financial and non-financial rewards inclusive of praises on teacher motivation and performance from 10 schools using interviews and documentary reviews for data collection. The findings indicated a significant and positive relationship between financial reward and performance ($r = 0.692$) with a significance level of 0. 000. Non-financial rewards such as praises had a significant and positive relationship with performance where ($r = 0.616$) with a significance level of 0.000. It has been discovered that gifts of any value can create a long-time relationship where an employee becomes loyal to the giver (Guide on managing gifts in the Public Service, 2019).These findings justified the concept that intrinsic rewards like praises and gifts have significant effects in improving performance that school stakeholders and policy makers need to consider greatly.

The results disagreed with the findings of Moore et al., (2019) who reviewed evidence to support praise in schools. The findings showed insufficient evidence to support teacher praise as being recognized in schools. The deviation in results could have been as a result of gaps in study population. Therefore, the conclusion that private secondary schools in Arua City catered for reward in form of praises and gifts to improve learner academic performance was drawn.

Descriptive statistics findings on the other hand exposed teacher rewards in form of financial performance bonus were not adequate, they were inconsistent and untimely; salary paid to teachers was not according to the job description, experience and teacher demands, the basic salary provided was not guaranteed. The schools in most cases did not organize events outside school for teachers in form of birthday parties, graduations, weddings.

The results disagreed with Rwothumio et al. (2020), Jiban (2021), Eren (2019) Kaamaruddin et al. (2023). Rwothumio et al. (2020) discovered that financial reward was very vital to appreciate efforts of employees which finally determines performance. Eren (2019) investigated effects of performance pay elements in schools. He used administrative data which revealed that teachers might have improved their teaching strategies with implementation of performance-based compensation such as financial performance bonus. Kaamaruddin et al. (2023) investigated the effects of salaries on teacher productivity employing quantitative research approach, questionnaires to collect data in Della Strada, North Jakarta, which showed that salary had positive significant relationship on teacher productivity and performance. The disagreement in the results with the previous scholars could have been as a result of differences in milieu, study design, methodology, study population etc. Therefore, the conclusion: teacher reward in form of financial performance bonus, salary, organizing events outside school was not considered for teacher reward and learner academic performance was drawn. This might have contributed to a decline in learner academic performance.

6.0 Conclusion

Based on the discussions of the findings in ascertaining the influence of teacher rewards on learner academic performance in private secondary schools in Arua City, the provision of financial performance bonuses and salaries for teacher rewards was inadequate, inconsistent, and untimely, which might have contributed to the low learner academic performance. If the school stakeholders and policymakers could consider prioritizing these aspects in their decisions alongside intrinsic rewards of praises and gifts, it might greatly improve learner academic performance in private secondary schools in Arua City, as advanced by some scholars in the literature.

6.1 Recommendations

From the discussions of the findings and conclusions, the study recommended that policymakers and school stakeholders in private secondary schools consistently and timely provide teacher rewards in the form of financial performance bonuses. Pay salaries according to work done, experience, and education levels. Apart from using the traditional salary scales that are paid without any conditions, private secondary schools in Arua City have introduced performance-based incentives to enhance learners' academic performance.

6.2 Contribution of the study

The results have exposed weaknesses in teacher reward systems related to learner academic performance for further consideration by policymakers and school stakeholders in Arua City, incredibly inadequate, untimely, and inconsistent salaries and financial performance bonuses.

It has exposed aspects of teacher reward that policymakers must prioritize, especially intrinsic rewards such as praise and gifts that account much for teacher reward and learner academic performance. The findings added to the knowledge on teacher reward and learner academic performance in private secondary schools in Arua City as advanced by other scholars, which can equally be generalized to public secondary schools in Arua City.

6.3 The Limitations and future research areas

The study focused on teacher reward and learner academic performance in private secondary schools in Arua City with limited aspects of reward. Its findings can only be used to conclude public secondary schools in Arua City. This leaves out Tertiary institutions and other regions in the country that were not catered for by this research. This research investigated teacher reward and learner academic performance in private secondary schools in Arua City. There is a need for further study to include other reward elements apart from the ones studied for performance. The study was limited to private secondary schools whose findings could not be generalized to higher learning institutions. Conclusions of the background information revealed that the majority of the teachers in private schools in Arua City were diploma holders, which could have impacted learner academic performance, necessitating further study in education level/ qualifications of teachers to performance.

References

Abenawe, C. (2022). Quality Education in Selected Secondary Schools in Ibanda District Uganda. *IAA Journal Of Social Sciences*, *8*(1), 197-215.

Akpur, U. (2021). Does Class Participation Predict Academic Achievement? A Mixed-Method Study. *English Language Teaching Educational Journal*, *4*(2), 148-160.

Bekkering, E., & Ward, T. (2020). Class Participation and Student Performance: A Tale of Two Courses. *Information Systems Education Journal*, *18*(6), 86-98.

Byaruhanga, (2019). Effectiveness of teacher motivation on job performance in public primary schools in Kitagwenda County, Kamwenge District, Uganda. *Dissertation.* The Catholic University of Eastern Africa

Chika, I.N & Edo, B. L, (2018). Working environment and teachers' productivity in secondary schools in Port-Harcourt Metropolis. In *International*, 6(4), 39–49.

Aliwaru, D. (2019). Motivational practices and performance of lecturers in tertiary institutions in Arua district, *Doctoral dissertation.* Kyambogo University

Eyisi, D. (2016). The usefulness of qualitative and quantitative approaches and methods in researching problem-solving ability in science education curriculum. *Journal of education and practice*, *7*(15), 91-100.

Edabu, P. A. U. L., & ANUMAKA, I. B. (2014). Motivation tools as a determinant of effectiveness on academic staff in selected private universities in Central Uganda. *International Journal of Research in Business Management*, *2*(9), 93-106.

M. O. E. (2019). The National Teacher Policy in Uganda. Available at: https://www.education.go.ug/

wp-content/uploads/2022/04/National-Teachers-policy.pdf

UNEB (2020). Uganda Certificate of Education Examinations Results for UCE 2020

Ganyaupfu, E. M. (2013). Teaching methods and students' academic performance. *International journal of humanities and social science invention*, *2*(9), 29-35.

Jelagat, D., & Edabu, P. (2022). Influence of Performance Appraisal on Productivity of Teachers in Public Secondary Schools in Eldoret West Sub-County, Kenya. *African Journal of Education, Science and Technology*, *7*(1), 420-427.

Katete, S., & Nyangarika, A. (2020). Effects of late and non-payment of teachers' salaries and benefits on learning process in public secondary schools. *Internation Journal Of Advance Research And Innovative Ideas In Education*, *6*(4), 1274-1290.

Mghweno, L. R., Obboko, M., & Adongo, S. (2013). Effect of Performance-Based Rewards on the Performance of Teachers in Selected Private Secondary Schools in Uganda. *Catalyst*, *8*(1).

Sedgwick, P. (2014). Cross sectional studies: advantages and disadvantages. *BMJ-British Medical Journal*, *348*.

Tokan, M. K., & Imakulata, M. M. (2019). The effect of motivation and learning behaviour on student achievement. *South African Journal of Education*, *39*(1).

Sidin, S. A. (2021, March). The application of reward and punishment in teaching adolescents. In *Ninth International Conference on Language and Arts (ICLA 2020)* (pp. 251-255). Atlantis Press.

Shikalepo, E. E. (2018). The influence of financial incentive on teacher motivation and learner performance in rural namibian schools. *Unpublished Dissertation.* University Of South Africa

Shaheen, M., & Pradhan, S. (2019). Sampling in qualitative research. In *Qualitative techniques for workplace data analysis* (pp. 25-51). IGI Global.

The Ugandan Journal of Management and Public Policy Studies (UJMPPS)
December 2024, Vol. 25, No. 1, pp. 169-185
ISSN: 2078-7049 (Print), 2959-4316 (Online)

Published by Uganda Management Institute

Oral History as a Social Tool for National Transformation

Elisam Magara[1], James Nkansah-Obrempong[2] & Nathan Nzyoka Joshua[2]

[1]East African School of Library and Information Science, Makerere University, Uganda

[2]Africa International University (AIU), Nairobi-Kenya

Corresponding e-mail: elisam.magara@gmail.com

Article History

Received: September 11, 2024
Revised: December 14, 2024
Accepted: December 20, 2024

Abstract

Oral history, as documentary heritage, is a general trio umbrella term to refer to a collection of cultural heritage (content), genres (form), and practices of people (oral traditions). Such heritage includes collections in memory institutions (museums, libraries, archives) in such formats as books and manuscripts and oral history selected based on time, place, people, subject and theme, form, and style. As a collective property, oral history tells people's history and helps the present generation to understand their place in history as a way of promoting societal integration and a driver of socioeconomic growth and transformation. One strategy to aid society transformation is using oral history as a social tool for understanding individual experiences, within a specific historical, cultural and social and individual testimony experience to transform the society. Using a systematic review, the article's literature on oral history addresses the classical, colonial, and contemporary reminiscences. Echoing on the global opportunities on documentary heritage, the article illuminates the African agenda on oral history with specific examples from Uganda. Using the foundational principle of the seven spheres of influences of transformation of society, the article exposes the place of oral history as a social tool for national transformation.

Keywords: *Oral History, Oral History Practices, Oral Traditions, Social Transformation, Documentary heritage*

1.0 Introduction

The nature of oral history as a form of documentary heritage is manifested in three forms: the source -- oral traditions and/or objects), the records/archives on the object) and the knowledge in form of publications. Oral history is one of the documentary heritages described as a general trio umbrella term to refer to a collection of cultural heritage (content), genres (form of documentation and/or practices [process] of inquiry into the memories of people who have experienced the recent past) and practices of people (traditions/recollections). Oral recollections include orally transmitted and recounted facts about an object, event or activity that arise within the performance of a given society. Oral history has national, regional and worldwide significance, with the twin objective of making heritage accessible to as many people as possible and using the most appropriate technology.

Oral history has been evident in informing the civilization characterized by the early civilizations in the river valleys of the Tigris and Euphrates (Mesopotamia) in about 4000 BC, in the Nile valley, and a thousand years later in the Indus valley. The post-second world war period and the customary archival role of the custodians or keepers of local, state, and central government records in the colonial times and after independence changed the nature and the demand of the documentary records needed for supporting colonial administration (Meredith, 2005). In terms of the form, oral history guided the planning and implementation of the time of scramble for, the time of colonial rule, and the time of struggle and during independence of most of the African countries, where there was barely noticeable imprint (Alegbeleye, 1993).

The post-second world war period and the customary archival role of the custodians or keepers of local, state, and central government records in the colonial times and after independence changed the nature and the demand of the documentary records needed for supporting colonial administration. This gave rise to the need for the preservation of documentary heritage by African countries adopting the concept "Africana" (Bekker, Walt and Theron, 1995). Africana signified virtually anything that deals with Africa and includes all activities, objects and records of human activities in Africa. The documentary heritage kept in Africana include written, printed, objects, books, maps, rare books, local history collections, oral history, archives, manuscripts in form of text, digital, microform and other forms of historical importance in connection to Africa that are in most cases kept in museums, libraries and archives. Therefore, preserving heritage regarding peoples, languages and cultures, politics and government, wildlife, and crafts becomes a socio-economic obligation. Indeed, Steppat (2024) reviews the African Imprint by excluding African myths in any accounts of influences on Shakespeare, qualifies the literature as a "legacies of knowledge culture originating in Africa" that has had a profound impact modern literature. It is indeed not a surprise to find a politician, a religious person or academic quoting Shakespeare in any communication, a literature that has become an oral heritage of Africa.

Generally, oral history has been captured, recorded and preserved in different forms of formulas (names, titles, slangs); diadactic): poems, riddles, legends, rhymes, proverbs, language, recitations, word games, life histories or historia narratives, curative chants, epic poems, histories, panegyrics, liturgical, epics, lists (place names, genealogy (Vansina, 1971), history, biography, and memories. In fact, oral literature has now become a medium of story-telling. As a practice, it refers to an activity or a process of inquiry into the recollections, use of storytelling/folklore/legends, proverbs, riddles, or life stories, and comics, Humour, among others, and is unavoidable in any communication in a contemporary society. For example, the recollection of religious and spiritual records is a source of witnesses of oral history. Humour is as important in everyday activities a human being engages in, whether culture, race or religious beliefs (Wood, 2018). Wood refers to Buja (2013) and contends that "humour has its origins in antiquity, with both Aristotle and Plato", which explains what makes us laugh, an oral history attribute we need to implore.

As a form, oral history can be distinguished from other cultural heritage records into tangible and intangible forms. The tangible form includes material heritage (it can be physically touched) such as monuments, buildings, statues, paintings, objects, architectural works, monuments, archaeological sites, historical centres, groups of buildings, cultural landscapes, historical parks and gardens, botanical gardens, industrial archaeology, etc. In this case, oral history records can be recorded about those forms of tangible heritage. The second deals with immaterial heritage such as music, dance, literature, theatre, languages, know-how, religious ceremonies, traditional performances, etc. Information about these forms of heritage resides in movable sources: museum collections, libraries, archives or in communities and peoples' heads.

This, thus, qualifies oral history as a documentary heritage - the characteristics of which include: movables made up of signs/codes, sounds and/or images; preservables (carriers are non-living); reproducibles and migratables; and results from a deliberate documenting process; and content and carrier. This is the only way we can be sure that recordings will be preserved and made accessible for current and future generations.

As a practice of people (oral traditions), oral history plays a role in the preservation of that heritage. This involves heritage inherited and transmitted from the past to the future generations. It is a legacy we receive from our ancestors, our parents, cultural and natural environment and transmitted to future generations. The value of such heritage is based on *time, place, people, subject and theme, form and style, historical and spiritual significance* (UNESCO, 2002). Many African countries have attempted to safeguard their natural and cultural heritage in the form of social traditions, crafts, music, dances, folklore, food and dressing and with limited emphasis on preservation and conservation of this heritage. The capacity to integrate oral history as a social tool for economic and national transformation requires attention.

1.1 The Problem

In most of the African countries, the available oral history records and information on social, national and persons significance is scattered in different places, documents and in memory of people, most of which are more likely to get lost forever. Accessing some of the records kept on them is not easy and in many cases this heritage is not known and accessing such sheritage is inhibited language barriers, obsolete and incompatible formats and forms in which the heritage is captured, stored and preserved. There are current threats evidenced by a number of disasters, ranging from accidental or deliberate displacement of holdings and collections, to the effects of wars, weather and climate, historical circumstances, political barriers, which all have a negative effect on the national heritage. Such memory becomes fragile and in most cases some irreplaceable parts of the memory disappear forever. Absence of oral history platforms for information sharing and transfer of documentary heritage to institutions and communities inhibits social and national integration. This, combined with inadequate capacity and preservation programme, limits the integration of oral history heritage as a social tool for national transformation. The article aims at assessing the place of oral history as bridging gap in documentary heritage for socioeconomic transformation in Africa. Echoing the global opportunities for documentary heritage, the article illuminates the African agenda on oral history, highlighting challenges and opportunities in Uganda. Using the foundational principle of the seven spheres of influence of transformation of society, the article exhibits the place of oral history as a social tool for national transformation.

2.0 Methodology

This article is based on a recognizance study on "preservation of oral history in marketplaces" that aims to provide strategies for social transformation. The article is based on a literature search on global, African, and African developments exhibited in the promotion of oral history as a tool of transformation. The selection of the documentary reviews was based on various programmes exhibited in various international programmes at the African Union, United Nations Educational Scientific and Cultural Organisation (UNESCO) programmes at African and national levels and a review of various policies, legislation, and activity reports done with Africa and beyond that attempts to exhibit the efforts done on oral history initiatives as a transforming tool for social transformation. For a clear articulation of the challenges for Africa, Cases from Uganda were used. The discussion of the study was based on the foundational principle of the seven spheres of influences of transformation of society developed by Dr. Bill Bright, Loren Cunningham, and Francis Schaefer in 1975: Family, Religion/ Church, Education, Government, Media, Celebration (Arts, Entertainment, and Sports) and Economics (Business, Science, and Technology) (Benedict, 2013).

3.0 Results

3.1 Oral History as Abridging Gap on Documentary Heritage in Africa

Over time, there have been several attempts to advocate Oral History as bridging the gap on Documentary Heritage worldwide and in Africa.

3.1.1 Global Perspective on Oral History Heritage

Globally, the UN 2030 Agenda for Sustainable Development Goals (SDGs) number 11 supports a strong cultural identity, an affirmation needed for building cultural heritage and Memory of the World programme and Documentary Heritage. In addition, there are a number of bodies that have guided the preservation and safeguarding of documentary heritage, including the

IFLA (International Federation of Library Associations and Institutions), the International Council on Archives (ICA), and the International Council of Museums (ICOM). For instance, the World Heritage Convention is a masterpiece of intangible heritage and safeguarding and preservation of moving images (1980). This is in addition to the UN Universal Declaration of Human Rights, the UN Convention on Civil and Political Rights and the UNESCO Charter on the Preservation of the Digital Heritage (2003). Specifically, there are a number of declarations, international treaties and other documents that support documentary heritage oral history including The "Universal Declaration on Archives" (2010) accepted by the International Council on Archives (ICA), and endorsed by the 36th session of the General Conference of UNESCO (2011), "International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations" (1961) and the 2007 "United Nations Declaration on the Rights of Indigenous Peoples".

In particular, UNESCO has for a number of years supported, studied and provided guidelines on preservation and safeguarding of documentary heritage. Most especially, UNESCO has addressed many aspects of documentation of national heritage, including guidelines for legal deposit (Lariviere, 1981) and the establishment of National Archives (Thomas, 1986); oral history and oral tradition (1986); UNESCO Universal Declaration on Cultural Diversity (2001); and the Convention on the Protection of Diversity of Cultural Expression (2005). There are a number of UNESCO conventions and recommendations that inform documentary heritage: "Convention for the Protection of the World Cultural and Natural Heritage" (1972), "Convention for the Safeguarding of the Intangible Cultural Heritage" (2003), "Convention on the Protection and Promotion of the Diversity of Cultural Expressions" (2005), "Recommendation for the Safeguarding and Preservation of Moving Images" (1980) and "Memory of the World Programme", 1992.

The Convention concerning the Protection of the World Cultural and Natural Heritage (1972) is premised on the fact that some places on earth are of Outstanding Universal Value and need protection. Uganda, for example, became a State Party on 20 November 1987. Uganda has had three sites: Tombs of Buganda Kings at Kasubi (has of recent been removed), Bwindi Impenetrable N.P, and Rwenzori Mountains N.P. For the Convention for the Safeguarding of the Intangible Cultural Heritage (2003), it is an international agreement adopted in 2003 that deals with safeguarding and promoting living heritage. Uganda became a State Party on 13 May 2009. The intangible cultural heritage is in form of living expressions or traditions inherited from our ancestors and passed on to our descendants. It includes: oral traditions, performing arts, social practices, rituals and festive events, knowledge and practice concerning nature and the universe, and knowledge and skills to produce traditional crafts.

The Convention on the Protection and Promotion of the Diversity of Cultural Expressions (2005) is a binding international legal instrument with a goal to protect and promote the diversity of cultural expressions as embodied and conveyed in cultural activities, goods and services. It provides a legal framework and its guiding cultural policies aid the production, distribution, access and enjoyment of a range of cultural expressions. It defines the rights and obligations of State Parties with regard to the protection and promotion of cultural expressions, both at the national and international levels. It encourages dialogue among cultures to ensure wider and balanced cultural exchanges in the world for intercultural respect and a culture of peace. It also promotes respect for the diversity of cultural expressions and raises awareness of its value at all levels.

Since 1992, UNESCO has attempted to promote the *Memory of the World (MOW),* a UNESCO programme, and has provided General Guidelines to Safeguard Documentary Heritage (UNESCO, 2002) for purposes of ensuring the national and regional and world documentary registers. Accordingly, Memory of the World (UNESCO, 2002):

> *"is the documented, collective memory of the peoples of the world – their documentary heritage – which in turn represents a large proportion of the world's cultural heritage. It charts the evolution of thought, discovery and achievement of human society. It is the legacy of the past to the world community of the present and the future".*

The key functions of MOW are the identification of documentary heritage, raising awareness, preservation and access, structures, status, and relationships. In particular, preservation and access help to define preservation, principles of preservation, methods, and principles for access – digitized and otherwise, and publicity and awareness-raising. The MOW criteria of selection for inclusion in national, regional and national registers include, among others, considerations of time *(*creature of its time), place, subject and theme, form and style, significance (historical, geographical), spiritual and sacred values. In particular, spiritual or sacred values consider how the community demonstrates its emotional attachment to the documentary or documents for the way in which these contribute to that community's identity and social cohesion.

To mitigate this global need, UNESCO, on 17 November 2015, at its 38th session, adopted the 2015 UNESCO recommendation on documentary heritage concerning the preservation of and access to documentary heritage, including in digital form. These recommendations represent a significant milestone in UNESCO's efforts at preserving documentary heritage, providing universal access to it, and raising public awareness of its shared cultural values. Considerations here were, among others: documentary heritage that unfolds human thought and events; the evolution of languages, cultures, peoples and their understanding of the world; a need for promoting the sharing of knowledge to promote peace and respect for freedom, democracy, human rights and dignity; and enabling intercultural education and personal enrichment, scientific and technological progress as a crucial resource for development, fundamental freedoms of opinion, expression and information as human rights.

The first step to knowledge is to know that we are ignorant (Prochnow, 1955). Thus, to enable universal access to documentary heritage, requires the legitimate interests of rights-holders and the public and recognizing aspects of the history and culture that can conveniently be accessed through oral history. This is every important considering that, over time, considerable parts of documentary heritage have disappeared due to natural or human disasters and rapid technological change, a challenge that requires to be addressed to accommodate the needs of preserving digital heritage and international standards but bearing in mind the need for States, communities and individuals to take appropriate measures for enhancement and preservation of the value of documentary heritage.

3.1.2 African Agenda with Oral History

The Africa plan for structural transformation guided by the African Union – United Nations Framework for the Implementation of Agenda 2063 and the 2030 Agenda for Sustainable Development Goals aim at the Africa that has a strong cultural identity, common heritage, values and ethics. The key actions are the values and ideals of Pan-Africanism. For example, at the continental level, the Encyclopedia Africana has to be completed; the Charter for African Cultural Renaissance has to be implemented; and the Algiers Declaration on the Harmonization and Coordination of cultural policies and programmes has to be implemented. For example, the AU Encyclopedia Africana Project is meant to develop and implement frameworks for the setting up of regional centres of excellence aims at promoting African cultural and creative industries. This is in Addition to the Cultural Values and African Renaissance targets to be achieved, at least 70% of Member States have to fully implement the Charter for African Culture and Renaissance. The strategy here is to build the capacity of Pan-African cultural institutions. At the continental or regional level, one of the targets is to research, record and disseminate African traditional stories that offer lessons for young people to take pride in their Africanness. The African Union already has an agenda of African great Museum Africa, which is an African project that started with Algiers in 2009, and member states have already accepted. Therefore, a documentary heritage programme has to reflect on the African integration and be guided under the framework of A2063 according to its priorities. Some of the strategies include: develop/implement regulations and policies to promote increased local content in all media (print and electronic); create inventory of national icons and recover cultural footages abroad and develop strategies to negotiate and retrieve national treasures from individual and institutional collections; and expand access to cultural information through community public libraries. Indeed, as contended by Kareem (2021), the consequences of new media “in film distribution is demanding an effective system to strengthen the overall distribution system by reducing the distribution costs and increasing revenue.

In an effort to implement the UNESCO 2015 Recommendation, a consultation meeting for the implementation of the above UNESCO recommendation was held from 25 to 27 June 2018 on the theme: “Documentary Heritage for Sustainable Development in Africa”, at Rockview Hotel, Abuja, Nigeria. Accordingly, member states are encouraged to support their memory institutions in preservation of documentary heritage in their territories and identify specific documentary heritage, the survival of which is at risk, a preservation challenge. This demands, member states to develop strategies to support the preservation of documentary heritage. To address this challenge, the East African Caucus on documentary heritage proposed a periodic forum to discuss issues on documentary heritage with preference on discussing common and shared values summarized into four thematic issues: liberation heritage, slave trade/labour routes/heritage, genocide and atrocities, and religious manuscripts. The emphasis for East Africa would be placed on capacity to create heritage, exchange of knowledge, ideas and participation and increase the number of African heritage; and increased need for cooperation for UNESCO to support the preservation, and ensure support of the Memory of the World (MOW) in the respective nations. Nations like Uganda would exploit such opportunity to utilise oral history programmes for a transformed society.

In Africa, cultural societies have been sustained by respect among the citizens, language and oral traditions education. Indeed, Christianity in Uganda was favoured by native culture to raise indigenous leaders to take up responsibilities in the affairs of the church. The practice and attitude today are changing as a result of generation gap influenced by exposure to foreign cultures, social media, changes in the globalized social world, difference in worldviews held by different generational cohorts and age gaps. This creates two different cultures - societal gaps antagonistic to each other. Traditional skills are disappearing thus depriving society of rights combined with lawlessness, total disregard of family and custom rules, and disrespect of wisdom from the elders by the young generation, which has resulted in the degeneration of cultural values that previously ensured high moral standards, which puts the oral history at risk. The available accumulated documents on oral history are scattered in different places. Such memory becomes fragile, and in most cases, some irreplaceable parts of the memory disappear forever.

In many of African countries, oral history heritage is primarily at risk of conflict or climate change characterized by a number of threats ranging from disasters, accidental or deliberate displacement of holdings and collections, floods, catastrophic fire, effects of wars, temperatures, insects, intruders, weather and climate as a consequence of global warming, a challenge that requires mitigation through a disaster preparedness plan. There are also threats dependent upon technology obsolescence and dependence, risk of reliability and authenticity, and loss of security, privacy and safety. For instance, when Covid-19 hit the globe, the World Health Organization (WHO) collection safety guidelines on prevention of the SARS-CoV-2 as a result of using books, plastic circulating materials such as CDs and DVD's most of which were guided by use of oral history. To recover from the limbo of unpreparedness of utilisation of oral history, it is therefore essential for a country like Uganda to develop a capacity integration of oral history as a social tool for national transformation.

For instance, in Uganda, the Patents Statute (Amendment) Act, 2002, the Uganda Copyright and Neighbouring Rights Act, 2006, and the National Library of Uganda Act (NLU) legal deposit provisions give a guarantee of protection of literary, scientific, and artistic intellectual works and sets the legal framework legislations. When COVID-19 hit the globe, it affected the education and social sector. In response, the government has embraced some initiatives like home-based schooling, promoting teaching in the local languages, promoting of locally authored books, open learning and technology as mitigating resilience interventions, most of which are effective with use of oral history. Indeed, Vision 2040 aspires for maximizing skilling and retooling the potential workers to address affected documentary challenges, a gap that requires capacity building interventions in providing cultural content.

A study supported by UNESCO in 2011 (Magara, 2011) indicated that oral history is an area which many of the memory institutions (libraries, archives and museums) have not handled. This was attributed to lack capacity of oral historians, and inadequate support and conflicting mandates of the respective institutions. There is little effort to preserve museums of important personalities. There is a need for personal museums, for instance, of the former presidents and other big personalities. Furthermore, museums are not known and few people know about their importance

The Preservation and Revitalization of Uganda's Oral and Intangible Heritage Programme, including like the Bwindi Impenetrable National Park and Rwenzori National Park, provide an outstanding universal value of cultural identity, human rights, and collective memory. To that end, some educational institutions in Uganda attempt to transfer indigenous knowledge on intangible heritages to the students in a number of areas through music, dance and drama, sports, indigenous knowledge systems, promoting traditional games and sports in schools and universities, *learning through oral history* (Magara, 2005), a strategy whose placement in national social-economic transformation is required.

The challenge is that oral history products are stored in obsolete technologies that were used in recording the proceedings, a challenge that limited oral history recollection of culturally significant events or trends. As a consequence, oral history has experienced a surge of interest in subjectivity and in non-traditional sources. Thus, the Republic of Uganda (2006) through the Minister of Gender, Labour and Social Development has come out with the Uganda National Culture Policy, whose vision is: "A *Culturally vibrant, cohesive and progressive nation"*. The policy derives its objectives from Uganda's rich and diverse endowment and cultural heritage, which includes sixty-five indigenous communities with unique characteristics. It provides strategies to enhance the integration of culture into development that are an integral part of the Social Development Sector Strategic Investment Plan (SDIP) whose mission is to "create an enabling environment for social protection and social transformation of communities".

The Department of Antiquities and Museums is responsible for historical, archaeological, and palaeontological sites within Uganda. These include traditional sites, buildings, signposts, and tombs. A challenge of utilising the indigenous communities and their diversity requires effort to document the historic and continuing process of their transformational transfer. This requires a knowledge base and coordinated documentary heritage. Now that Uganda is promoting the consumption and use of locally manufactured goods and services through the Buy Uganda Build Uganda (BUBU) Policy (2014), utilization of oral history experiences is required. This is why the cultural and institutional register of available oral history in the areas of African traditions, customs and culture and indigenous technologies is of importance for socio-economic transformation.

Oral history provides a source of emotional, spiritual and sacred values that hold a society together. First of all, documenting oral history is a cultural collective property which tells people's history and helps the present generation to understand their place in history and to better cope with constant changes in society. Identification of culture heritage sets distinctive linguistic, material, and intellectual features to the society as a way of promoting societal integration as a driver to socio-economic growth. In Africa, oral history practices and genres are ancient forms of informal education, inculcate spiritual, ethical, moral and values, develop self-discipline, tolerance and human fellowship. Oral history is thus an invaluable source of evidence and illuminates both the individual's experience and the historical period. It provides a holistic view of a phenomenon ranging from cultural, historical, and religious to scientific/ technological means for socio-economic and national development. For instance, Uganda aspires to positive cultural values for socio-economic development, which embrace respect and recognition of all citizens, protect children, and is a God-fearing society. This is one way of fostering respect for Ugandan cultural diversity in dispensing religious differences, especially among the citizens. Thus, tapping oral history promotes unity, respect, patriotism, and national pride. The respect of citizens in a multicultural and religious society promotes a sense of self-examination with increased resulting changes to the Gospel and offers Christians an effective way of relating to their culture. This bridges the tacit and explicit knowledge while preserving the national, community, and cultural memory.

The capacity to manage documentary heritage in Uganda is one of the strategies that would foster industrial and socio-economic development. It would have been expected that the Uganda Vision 2040 rolls up such aspiration with regard to the development of national heritage. This is why a strategy for safeguarding documentary heritage is required in Uganda. In Uganda, the legal framework such as the Copyright and Neighbouring Rights Act, 2006 and the National Library of Uganda Act (NLU) and other legal deposit provisions guarantee the protection of literary works, whose capacity requires intervention. Recently, the government has embraced home-based schooling, teaching in the local languages, promoting locally authored books, student-centered learning, open learning, and technology as mitigating resilience interventions. Effectively embracing the above requires a precise mechanism to access oral history. A strategy for increased awareness on the accessibility of cultural heritage utilization of oral history for socioeconomic resilience and transformation is required.

4.0 Discussion

Oral history is an invaluable tool for understanding individual experiences, historical, cultural and social testimonies to reveal and illuminate and transform the society. Utilization of oral history from classical, hermeneutical, colonial and contemporary reminisces conveys diverse messages and values that contribute to give meaning to people's life (historical, artistic, political, religious, social, spiritual, scientific, natural, etc.). The major challenge is limited accessibility, lack of conservation and preservation programmes of documentary heritage (analogue, digital and oral history), and inadequate sensitization. The lack of public awareness about the importance of integrating access to oral history documentaries hinders their preservation and utilization for educational and cultural purposes. We shall adopt the foundational principle of the seven spheres of influences, of mountains for transformation of society developed by Dr. Bill Bright, Loren Cunningham, and Francis Schaefer in 1975: Family, Religion/Church, Education, Government, Media, Celebration (Arts, Entertainment, and Sports) and Economics (Business, Science, and Technology) (Benedict, 2013).

4.1 Governance

The recollection of ordinary persons can best provide vital records, memories and life histories of the people. Oral history has its origin in the works recording memories of significant people. Several projects in the world have helped in promoting oral history as a transformation of the economy. For example, the historical documentation of phenomenological hermeneutics by Richard B. Russell Library for Political Research and Studies (2014). At the National Library, Athens, there is exhibited personal histories and community narrators including an oral history of World War Two (Athens-Clarke Country Library, 1994). These oral history recollections that demonstrate social transformation include the Black Oral History collection, the Civil Rights Digital Library, Digital Library of Georgia. Further, the Oral Testimony from Survivors of the World Trade Center from the Encyclopaedia detailing the events of September 11 is one best example of testimonies about the horrors of that day coming from the survivors. Such oral history collections give reflection on memories on the potential of oral history as a research tool in a society. Use of Oral Archives provides opportunities where oral testimonies can be an important way to understand historical events. This provides an opportunity for memories of national governments to bring together a number of oral testimonies into a digital collection. For instance, the African oral history collection covering the African veterans of the Second World War which is archived at Washington University Library demonstrates this. Oral history is useful in both litigation and the precedents as a basis for legal decisions and providing lives of outstanding jurists. Similarly, the complex of legal issues surrounding the creation, copyright, and "fair use" of an interview requires oral historians to progressively pay more attention to legal precedents.

4.2 Economics (Business, Science, and Technology)

In an effort to build capacity, national Governments have attempted to promote various innovative capacity building programmes. In Uganda, for instance, programmes like Skilling Uganda promoting Skills (*Emyoga*), Parish Development Model, Buy Uganda Build Uganda, among others, have been adopted to support effective utilization of the opportunities and skills for communities' transformation. Oral history, along with biographical approaches, has increasingly become a powerful tool for amplifying the voices of marginalized groups by capturing their lived experiences and highlighting their influence on accounting practices (Hammond & Sikka, 1996: 92).

4.3 Academia and Literacy

To ensure equitable access, sharing and use information in all forms of intellectual life for education development: Recently, there has been a number of attempts to adopt home-based schooling, teaching in the local languages, promoting of locally authored books, student-centred learning, open learning and technology as mitigating resilience interventions, most of which utilise use of oral history programmes. Oral history makes our memories and heritage connect. The pedagogical implication is that oral history occupies a number of people with a common identity and common social, political, and historical development, as well as other social factors such as economic growth, educational background, age, and religious beliefs (Chong, 2008).

Through family history, each member contributes to the community history. This multidisciplinary facet makes oral history an incredible tool to implement in the classroom and an opportunity for including the community in the university curriculum. Oral history for educators in the classroom bridges the gap between the curriculum and community. It brings history home by linking the world of textbooks and classroom with the face-to-face social world of the students' home community. This serves both as a means to preserve the contemporary history of education as a discipline and as a teaching strategy in social studies.

Initiatives of projects to record the history of instruction in a given field focus on teaching, providing effective lesson plans for using oral history in the classroom. Oral history is not only a tool or a method; it also is a theory of history which maintains that the common folk and the dispossessed have a history and that this history must be written. There is need for balance between historical records that are formally documented with those whose culture has no unwritten records. Furthermore, oral history provides a special attribute to gender studies for oral history projects on women by harvesting recollections of groups and classes of people largely disenfranchised from the historical records.

4.4 Family and Society

In Africa, Folklorists have made significant contributions to the methodology of oral history (see the discussion of oral history manuals below), while membership roles in oral history associations often cross with those in folklore societies. Sometimes the two fields hold joint conferences. One explanation for these crossings is the oral nature of many of the traditions recorded by folklorists and oral traditions (the legends, the myths and folktales). Methods for collecting oral lore and oral history overlap, though the former tends to be more spontaneous in the collecting approach. The narrative genre of the "life story" is different from life history or oral biography. A life story is not necessarily interested in the historical accuracy of life narratives but in the way the story is expressed. Indeed, the International Council of Archives (ICA) Annual Conference, held in Yaounde, Cameroon in 2018 on the "Indigenous Peoples of the World"- African countries showcased the South African (SA) peoples, the indigenous Indian communities in the USA and Canada, including the Aborigines of Australia, and the Maoris of New Zealand that models the place of Oral history in the transformation of society. In addition, the "*Once Upon a Time: Oral Traditions as History of Africa*" project has had an impact on recollections of most precolonial African civilizations used in oral history. The idea behind this is that when one uses a word and designates a name and believes in that name, he has acquired knowledge of the essence of that person (Vansina (2003). According to Vansina, all cultures are distinguished by important words backed by speech. Such words inherited from forefathers are promoted by the oral traditions and the attitudes of members of society towards speech. This is why a strategy to help literate society shed off the ideological prejudice is required.

4.5 Media and Celebration (Arts, Entertainment, and Sports)

Oral history has a long stand in Media and Literature, as there have been writers before the use of literature. Over time, oral people have conducted interviews to document the literary process and its context (Dunaway, 2018). Oral history has influenced literary studies in primary education: biography, both oral and written; and literary history, literary profession and publishing (as well as the work of specific writers). One inter-disciplinary quarterly which examined this trend is *Biography.* With such knowledge, skills and values in heritage tourism, if well developed, will enhance sustainable development (since it emphasizes the conservation of cultural heritage resources and it is non-consumptive (Woodward, 2004). This requires long-term growth of the tourism sector.

Producers have explored historical subjects in documentary and fiction formats in broadcasting. In radio, television, and film, producers have sought to raise popular historical consciousness, to broadcast "to the man [and woman] in the street" in order to develop "historical mindedness". For example, oral testimony has been incorporated into full-length Hollywood feature films, such as *Reds and Zelig*. In Hong Kong Heritage Project (HKHP), Walking Books (Allsop, 2022) is a major business archive and a soon-to-be museum. Its work in collecting and recording oral histories since 2007 has recorded 530 oral history interviews. The exhibition fosters audience engagement as well as encouraging understanding and empathy for history as well as other people. As Kareem (2021) emphasizes, to create an effective film distribution system based only on new media requires coordination between traditional and online distribution as traditional distribution. Kareem thus recommends increased content makers and online distribution processes, a task that requires increased utilization of oral history techniques to enable easy access and utilization of already documentary Heritage.

Heritage is a source of economic development. Cultural heritage has always been among the main attractions for travelers in the 21st century. Oral Heritage tourism has increased immensely and has become a vital economic resource for many countries. Heritage is unique and irreplaceable. Uganda's Quadrennial Periodical Report 2020 provided the strategies for the integration of culture in sustainable development frameworks of various domains (cinema, design, arts, music, performing arts, publishing, and visual arts (MoGLAD, 2022). A strategy to mitigate the deterioration or the disappearance of a cultural property and the messages it conveys would be a source of pride for socio-economic transformation of the country.

4.6 Religion

Oral records are the main tool of capturing the progress and events about historical events, major religious developments, especially Church and biblical testimonies. It is a fact that the Quaran was preserved during the Prophet's time by oral and written transmission. Further, the Jews' prayer from Deuteronomy 6:4 is based on oral history. The writing of the gospel after the death of Jesus is based on stories that had been passed on. We would say that storytelling was the center of Jesus' Movement. For 40 years after Jesus's death, nothing was written about the gospel or his life. During that time, we have very little in terms of written records on Christianity. Furthermore, the Old Testament was entirely oral literature that gained written form later. The spread of Christianity in many parts of the world utilized the use of oral history. Orality has continued to play a role in areas of translation, interpretation and evangelism. The purpose of the church is to be a servant of its message - "You are the salt of the earth" (Mathew 5:13). As salt is a preservative, the Church, must get into what it is trying to preserve, thus a need for strategies for preserving oral history as a tool for socioeconomic transformation.

5.0 Conclusion and Way forward for Uganda

In general, oral history has played a role in bridging the gap in documentary heritage for the socio-economic transformation of society. The global developments and opportunities in Africa for oral history illuminate the sustainable development, preservation needs, capacity building, and a need for an oral history forum for social transformation. There are, therefore, three needs for the integration of oral history as a socio-economic transformation tool; the need for building capacity, providing a forum for oral history, and promotion of preservation of documentary heritage, including oral history.

5.1 Capacity Building on Oral History Heritage

There is need for awareness building, and training of stakeholders on the need for oral history heritage including authors, teachers, heritage custodians (librarians, archivists and museum curators), government officials and publishers and book-sellers. This would involve participation in public events in schools, museums, libraries, cultural exhibitions, schools, home and community libraries, and international and national celebrations. The specific focus areas would involve oral history awards and essay writing competitions for junior writers. This includes sharing of success stories, debates, open days, oral history expositions, mentorship programs through writing competitions, and recognition of various authorities in Uganda oral literature, including engagement in media/TV supported events, talk shows, and re-creations, benchmarking, and publication. Training of trainers would aim at developing skills and competencies among oral history researchers, writers, translators, and custodians of documentation memory, publishers, and policymakers on effective cultural heritage documentation. Some areas of emphasis are: code of ethics for compilers, researchers, translators and writers, copyright protection, writing digest, legal deposit, authority description, general descriptions and metadata, compilation, narration and conservation. Training on effective content integration in teaching and learning and training in using web-based instruction to promote oral history integration.

5.2 A Forum of Oral History Tellers to Bridge Generational Gap

A forum of oral history tellers and custodians to inspire and spark interest in bridging the generation gap is recommended. This could include holding an open day with exhibitions, essay competitions and a symposium with participation from stakeholders that share cultural/ heritage developments. Publicity and publication would include engagement in media/TV/ radio programmes and supported events such as talk shows and recreations, benchmarking, oral history mentorship services and publications. Occasional oral history mentorship meetings are meant to revive the African fireplace experiences to bridge the generation gap. In addition, writing memory books that capture experiences of family history, recorded history in memory institutions would be promoted. Furthermore, there could be an outreach visit programme to memory institutions, schools, community centres to put oral history under spotlight and raising public interest. Lastly, guidelines on access to pertinent oral history collections would be developed to guide the safeguarding memories and ensuring implementation.

5.3 Preservation of documentary heritage

It is crucial that developments and best practice in scholarship, technology and science in the preservation of oral history to be applied in our region be adopted. To address most of the challenges of preservation of digital records, there is a need to encourage cooperation amongst government, memory institutions and the private sector and utilization of good practices in terms of outreach programmes, promotion programmes in schools, communities and official functions. Some of the areas of focus include: Influence curriculum to integrate the documentary heritage, civil education, formation of museum schools, school and community heritage clinics and forming online communities. addition, there is a need to raise awareness about the importance of preserving and identifying documentary heritage, as well as to recognize and support national champions who promote its conservation and accessibility. There shall be sensitization of the public, recognition of those who are in possession of these documents and the provision of incentives for them to make these documents available for preservation and registering. This programme would encourage innovative thinkers to utilise modern technologies to connect younger generations to the existing heritage.

Acknowledgments

Our thanks to Makerere University (Uganda) and Africa International University (Kenya) for supporting the writing of this research paper

References

Akankwasa, R. R. (2001). Indigenous Peoples and Their Cultural Survival in Uganda: the Legacy of Education Dependence. *East African Journal of Peace and Human Rights*, 7(2), 229-255.

Alegbeleye, Bunni. (1993). *Disaster Control Planning for Libraries, Archives and Electronic Data Processing Centres in Africa*. Nigeria: Options Book and Information Services.

Allsop, Amelia. (2022). *Walking Books? The Oral History Method at The Hong Kong Heritage Project*, 18(3), https://doi.org/10.1177/15501906221096814 [Last Accassed 20th October 2023]

Athens-Clarke County Library. (1994). *World War Two oral history interviews: interview with Athens Historical Society*, October 16, 1994 / produced by Athens-Clarke County Library, Erwin, Goodloe Yancey, https://www.youtube.com/watch?v=iv3zaTZe41Y&list=PLHODIJfoHwXMkA4eAo6S365Kglr0Rctc3&index=13 [last accessed 16th October 2023].

Bekker, J.**, Walt, T.B. Van der & Theron, J. C. (1995).** ***Theory of Information Science and Records Studies,*** **Pretoria: University of South Africa.**

Benedict, Jason. (2013). *Mapping the Kingdom Business Movement: Working Paper*, chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://regententrepreneur.org/wp-content/uploads/2015/12/Mapping-the-Kingdom-Business-Movement.pdf [last accessed 20th October 2023].

Chong, Guan Kwa. (2008). Oral Histories in the Making of Our Memories and Heritage. *Asian Journal of Social Science*, *36*(3-4), 612-628. https://doi.org/10.1163/156853108X327100, Asian Journal of Social Science Volume 36 Issue 3-4 (2008) (brill.com)

Community Heritage Grants. (2022). *Funding Guidelines*, Department of Planning, Industry and Environment, community-heritage-grants-2023-25-funding-guidelines.pdf

Dunaway, D. king. (2018). The Development of Oral History in the United States: the evolution toward interdisciplinary. *Revista Tempo E Argumento*, *10*(24), 115–135. https://doi.org/10.5965/2175180310242018115

Kareem, Saiyeed Shahjada. (2021). New Media in Film Distribution in Bangladesh: Bane or Boon?

Athens Journal of Mass Media and Communications, 7(4), 257-280 https://doi.org/10.30958/ajmmc.7-4-3.

Lariviere, Jules. (1981). *Guidelines for Legal Deposit Legislation*. A Revised, Emerged and Updated Edition Publication by Dr. Jean Lunn, UNESCO

Magara, Elisam (2005) The "Library, Archives and Museum" Trinity: Professional Challenge with particular reference to the Knowledge Society and to Uganda, *Innovation: Journal of Appropriate Librarianship and Information Work in Southern Africa*, no. 31.

Magara, Elisam. (2011). *Preservation of Documentary Heritage: The Memory of the World in the Ugandan Context*, Kampala: Uganda National Commission for UNESCO MoGLSD. 2022. Uganda's Quadrennial Periodic report 2020/Ministry of Gender Labour and Social Development, Kampala.

Meredith, Martin. (2005). *The Fate of Africa: From the Hopes of Freedom to the Heart of Despair: A History of Fifty Years of Independence*, New York: Public Affairs.

Prochnow, Herbert V. (1955). *Speaker's Source Book of Stories, Illustrations, Epigrams and Quatations*. Michigan: Baker Book House.

Richard B. Russell Library for Political Research and Studies. (2014). *From historical documentation to happenings of being: oral history as a phenomenological hermeneutics/Athens Oral History Project*, Richard B. Russell Library for Political Research and Studies.

Stanford Encyclopedia of Philosophy. (2020). *History of Trinitarian Doctrines***,** In, The Stanford Encyclopedia of Philosophy, The Metaphysics Research Lab, Department of Philosophy, Stanford University, Library of Congress Catalog Data: ISSN 1095-5054, https://plato.stanford.edu/entries/trinity/trinity-history.html [Last Accessed 16th October 2023].

Steppat, Michael. (2024). The African Imprint in Shakespeare, *Athens Journal of Humanities & Arts*, 11 (1), 15-48.

UNESCO. (1972). *The World Heritage Convention*, https://whc.unesco.org/en/convention/

UNESCO. (2002). *Memory of the World, General Guidelines to Safeguard Documentary Heritage, Information Society Division. United Nations Educational, Scientific and Cultural Organization.*

UNESCO (2015) *Recommendation concerning the preservation of, and access to, documentary heritage including in digital form: implementation guidelines*, https://en.unesco.org/sites/default/files/2015_mow_recommendation_implementation_guidelines_en.pdf/Prepared by Ray Edmondson Contract No. Contract 4500313593

UNESCO. (2018). *A Report on Developing action plan for the implementation of the 2015 UNESCO recommendation on documentary heritage in Africa*

UNESCO's World Heritage List. *World Heritage List Nominations. https://whc.unesco.org/en/nominations/*

Vansina, Jan. (2002). Once Upon a Time: Oral Tradition as History of Africa, *The Historian of the World 21st Century* (Spring, PPDeedalus, 100(2): 442-467. www.j.stor.org/stable/20024011 [Last Accessed 28th Sepember 2023].

Washington State University, Vancover. **(**2023). Black oral history collection**:** Oral history interviews with African American pioneers and their descendants throughout Washington, Oregon, Idaho, and Montana.

Wood, Lynn; Van Der Spuy, Alicia; Jayakrishnan, Lakshmi and Pienaar, Vasti. (2018). Humour in Multicultural South African Texts: Finding Common Ground, *Athens Journal of Mass Media and Communications*,. 4(3), 179-192..

Woodward, S.C. (2004). Faith and Tourism. Planning Tourism in Relation to Places of Worship. *Tourism and Hospitality Planning and Development*, 1(2):173-186.

APPENDIX

Author Guidelines for the Ugandan Journal of Management and Public Policy Studies (UJMPPS)

Author guidelines are valuable for researchers seeking to publish their work in the Ugandan Journal of Management and Public Policy Studies (UJMPPS). The guidelines offer detailed instructions and specifications on various aspects of manuscript preparation, including formatting, citation styles, manuscript structure, and ethical considerations. They provide authors with a clear roadmap to follow, ensuring that their work meets the UJMPPS requirements and aligns with the standards of scholarly publishing. The primary purpose of author guidelines is to enhance the quality and consistency of published research. Therefore, this enables efficient manuscript handling by journal editors and reviewers, contributing to a smoother and more timely review process. Below is a precise presentation of the manuscript structure:

1.0 Introduction

The introduction must contain your argument for the social and scientific value of the study, and should:
- Clearly state the research problem, its significance, and the objectives of the study.
- Provide a concise review of the relevant literature, highlighting the existing knowledge gaps and the need for the current study.
- Clearly state the research questions or hypotheses that the study aims to address.

2.0 Literature Review /Theoretical Framework

The discussion section should address the following three elements:
- Present the literature/ theoretical framework or conceptual model that underpins the study.
- Discuss the key theories, concepts, or frameworks that inform the research and justify their relevance to the research problem.
- Demonstrate a clear understanding of the existing literature/ theoretical foundations and their implications for the research.

3.0 Methodology

This section should:
- Describe the research design, including the approach (e.g., quantitative, qualitative, mixed methods), data collection methods, and data analysis procedures.
- Provide details about the study participants or sample, including relevant demographic information.
- Explain the instruments or measures used for data collection and their validity and reliability.
- Discuss any ethical considerations and steps taken to ensure participant confidentiality and informed consent.

4.0 Results

The author(s) should:
- Present the findings of the study in a clear and logical sequence that addresses the aim and objectives of your study.
- Use tables, figures, or charts as appropriate to enhance the presentation and understanding of the results.
- Provide detailed descriptions of the statistical analyses performed, including any statistical tests or software used.
- Support the findings with relevant statistical data or qualitative evidence.

5.0 Discussion

This must focus on the following:
- Interpret the findings in light of the research questions or hypotheses and the existing literature.
- Discuss the implications of the findings for theory, practice, and policy in the field of public

administration, business, management, leadership and public policy.
- Analyze any unexpected or contradictory results and propose possible explanations.
- Identify the limitations of the study and suggest avenues for future research.

6.0 Policy Implications/Recommendations

In this section, the author(s) should:
- Discuss the potential implications of your research findings for public policies, practices, or decision-making.
- Consider how your research can inform or guide policymakers or practitioners in improving public administration, business, management, leadership and public policy
- Offer specific recommendations based on your findings, emphasizing actionable steps or strategies that can be implemented in real-world settings.
- Highlight the potential benefits and impacts of implementing these recommendations.

7.0 Conclusion

Under this subsection, author(s) should:
- Summarize the main findings of the study.
- Highlight the contributions of the research to the field of public administration, business, management, leadership and public policy.
- Provide a concise conclusion that addresses the research objectives and research questions or hypotheses.

8.0 Limitations and Areas for Future Study

In this section, author(s) should:
- Identify and discuss the limitations of your study.
- Reflect on any constraints, shortcomings, or potential sources of bias or error that may have influenced your findings or conclusions.
- Be transparent about any limitations in your methodology, data collection, or sample size.
- Discuss how these limitations may have affected the generalizability or validity of your findings.
- Furthermore, propose areas for future research that can build upon or address the limitations of your study.

9.0 References

Under this section, author(s) should:
- Provide direct references to original research sources whenever possible. All citations must be well referenced using APA 7th edition format. Please consult the document for a guide.
- Cite all sources accurately and consistently throughout the manuscript.
- Include only the references cited in the text and self-citations should not exceed 7.5% of total references.

Note: References should not be used by authors, editors, or peer reviewers to promote self-interests.

10 Manuscript Formatting
- Prepare the manuscript in Microsoft Word or a compatible format.
- Use a double line spacing throughout the manuscript and should not be more than 20 pages typed in Times New Roman.
- Use 1-inch margins and double-spacing throughout the manuscript.
- Start a new paragraph by indenting it from the left margin, not by leaving a line blank, except after a (sub-) heading.
- Keep all text aligned justified, and only center the manuscript title, author’s name and affiliation, and captions and legends of illustrations.
- All illustrations, figures, and tables must be placed within the text at the appropriate points, rather than at the end of the manuscript. Ensure to cite sources if you are not the originator and reference carefully.
- Manuscript should be between 4,000-8,000 words, and word count should not compromise the article’s quality; hence if your paper is slightly shorter or longer, it will be considered.

• Number all pages consecutively.

Note: The Manuscript must be original. All manuscripts will be checked for plagiarism using Turnitin Similarity Check by Crossref and those with more than 15% similarity index will be sent back to author(s) for redress.

11 Abstract

This should:
- Include an abstract of no longer than 250 words and must be written in the past tense that provides a concise summary of the research.
- Clearly state the research problem/ purpose, methods used, key findings, implications and limitations.

12 Title and Keywords
- Choose a clear and concise title that accurately reflects the content of the study.
- Provide 3-5 keywords that represent the main concepts and topics of the research.

13 Author Information
- Include the names, affiliations, and email addresses of all authors.
- Specify the corresponding author and provide their contact information.

14 Funding Acknowledgment

Author(s) should acknowledge any sources of funding or grants that supported the research

14 Ethical Considerations

Author(s) must adhere to the highest standards of research ethics when conducting their studies and preparing their manuscripts. This includes obtaining proper informed consent from human subjects, ensuring the privacy and confidentiality of participants, and appropriately disclosing any potential conflicts of interest. Author(s) should also accurately attribute the work of others and avoid plagiarism or any form of scientific misconduct. The journal reserves the right to reject manuscripts that do not meet ethical standards or violate research integrity principles.

15 Submission Procedure

Author(s) should submit their manuscripts electronically through any of the two UJMPPS online submission system and/ email: umijournal@gmail.com / journal@umi.ac.ug. The online submission system allows for easy manuscript tracking throughout the review process and ensures efficient handling by the editorial team. The author(s) should follow the instructions provided on the journal's website regarding the submission process, including any specific requirements for file formats.

NB. *UJMPPS offers researchers a valuable platform to showcase their work and publish issues bi-annually (in June and December) each year. With our year-round open call for papers, authors are encouraged to seize the opportunity and submit their high-quality research contributions to shape and advance the field of education leadership and management.*

Finally, it's important to note that these guidelines are designed to ensure clarity, consistency, and adherence to scholarly standards. Authors are encouraged to carefully review and follow these guidelines when preparing their manuscripts for submission to the UJMPPS. For any further inquiries or assistance, authors are encouraged to refer to the UJMPPS website or contact the Journal's Editorial Office at journalumi@gmail.com / journal@umi.ac.ug or Chief Editor, Assoc. Prof. Lazarus Nabaho at lnabaho@umi.ac.ug / lazarusnabaho@gmail.com and / Managing Editor, Robert Agwot Komakech at rakomakech@umi.ac.ug/ kagwot@gmail.com

UGANDA MANAGEMENT INSTITUTE

"Empowering you to Excel"