

**FACTORS AFFECTING THE PERFORMANCE OF TELECOMMUNICATION
SERVICE PROVIDERS IN UGANDA
A CASE STUDY OF UGANDA TELECOMMUNICATIONS LIMITED (UTL)**

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Abstract

The purpose of this study was to examine the factors affecting performance of telecommunication service providers in Uganda. The following objectives guided the study; to identify the metrics used to measure performance in telecommunication, assess the factors that affect performance of telecommunication service providers in Uganda and recommend strategies for improvement of performance in the telecommunication sector. A descriptive research design that involved the use of both quantitative and qualitative research methods was used. Primary data was collected using a five scale likert questionnaire. Data submitted through questionnaire was entered into SPSS v.20 statistical software and analyzed for descriptive statistics. Sampling technique was used to select a population sample from the entire population. Descriptive statistics was used to analyze data. The study questionnaires were administered to a total of 106 respondents. A number of factors that affected the performance of telecommunication service providers in Uganda were categorised as internal and external and these were environmental factors, competition, political and regulatory environment, customer demand, conditions in the labour market, level of technology and economic conditions in the country. It was also established that a number of metrics were used to measure performance among telecommunication service providers in Uganda and these were, Customer loyalty, new subscribers to these organisation, experience of moderate or low churn in a quarter and customer satisfaction. It was further found that the organisation enjoyed high Average Return Per User (ARPU) than the previous years. The proposed strategies to improve performance of telecommunication service providers were adopting transparent regulatory processes, regulating competitive markets, focusing on licensing main operators by declaring licences for public record and statistical purposes and rebalancing prices early to simplify the work of the regulator could also improve performance among service providers. The study recommends that government should accord high priority to the development of telecommunication with the aim of restructuring the whole sector and freeing it from the politics of the day, which would enable the economic forces to help rationalize the industry.