



# **Corporate Entrepreneurship and Performance of the Telecommunications Companies in Uganda**

By

Audrey Kahara-Kawuki

*Makerere University Business School*

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## **1. Introduction**

### **1.1 Background**

Uganda presently has over 4 million mobile phone subscribers with three service providers and two additional ones laying infrastructure, about to commence operations. The telecom sector has been one of the high growth sectors in the economy quickly becoming the largest contributor of tax to government in the last 4 years. While telecommunications was an important sector in the economy, there were only about 40,000 fixed line subscribers in 1993. The phenomenal growth to over 4 million subscribers in 2007 in less than 15 years is an indication of the importance of the sector.

Telecommunication services prior to 1993 were provided by the Uganda Posts and Telecommunications Corporation (UPTC) a wholly owned government company. UPTC provided telecom services through landlines which was the traditional method of telephoning until the invention of mobile telephony. It also run the postal service's along with a post bank. In 1987, the Uganda government announced major economic policy changes that allowed free market forces in the economy. Prior to that, the economy had been dominated by parastatals in the key economic activities especially infrastructure. While government intentions were made at that time, there was no enabling legal framework to facilitate the private sector entering the different industries. Different laws were enacted in different sectors to allow the private sector to enter the industry. The enabling law in the telecom sector was enacted in 1996.

Prior to this policy, the Uganda Posts and Telecommunications Corporation (UPTC) Act of 1983 had made the corporation both the operator and the regulator and it was therefore difficult for new entrants into the industry. For a long time, telecommunications was associated with UPTC with its inefficiency and high costs, with services provided to only a few organizations and individuals. Owning a phone line both in office and home was a prestigious thing. As stated, there were about 40,000 landlines in 1993 with a population of about 20 million people.

In 1993, government licensed Celtel as the first private service provider in mobile telephony. The major specific policy in the telecommunication sector came in 1996 when government announced a policy reforming the sector with a view to increasing the penetration and level of

telecom services in the country through the private sector. The policy was expressed through the enactment of the Uganda Communications Act in 1997 and the policy objectives were;

- a) To increase teledensity from 0.28 line per 100 people to 2.0 lines per 100 people by the year 2002
- b) To improve communication facilities and quality of services
- c) To increase geographical coverage and distribution of services
- d) To have independent regulator

As a result of this law, the UPTC was split into Uganda Telecom (UTL), Uganda Posts Ltd (UPL), Post Bank Ltd and Uganda Communications Commission (UCC) as the regulator. UTL remained as a wholly government owned company providing telecommunication services until June 2000 when it was privatized. 51% of its shares were sold to a consortium of investors. While Celtel dominated the market for five years before the licensing of MTN it was able to grow subscribers only up to about 12000 by 1999. However, MTN which began in earnest in 1999 was able to grow over 100,000 subscribers within a period of one year of its operations.

By the end of 1999, there were three service providers with UTL primarily in landlines, Celtel and MTN in mobile telephones. UTL was licensed to provide mobile telephone services in 2003. Presently, MTN has over 2 million subscribers while UTL and Celtel have approximately 1.3 million and 882,000 subscribers respectively. Two new service providers have been licensed; Hits Telecom and Warid Telecom.

The growth of the telecom sector in Uganda in such a short period of less than ten years has been phenomenal. The rise in the number of subscribers from about 45000 in 1993 to over 4.5 million in 2007 reflects a high level of entrepreneurial activity in the sector.

In the economics literature, growth in an economy is associated with economic policy, capital and labour. In the Ugandan market, the economy had been liberalized and conditions had been set to stimulate growth. Then, the entrepreneurship literature attributes growth of an economy to entrepreneurial activities of business start-up and job creation (GEM, 2002, Balunywa, 2007). While Schumpeter (1942) attributes the growth of an industry to innovations and competition.

Kirzner (1973), one of the leading scholars of entrepreneurship supports the school of thought that attributes growth to entrepreneurship. He argues that it is the entrepreneur who spots

opportunities and exploits them. This results into economic activities and economic growth. Schumpeter (1942) attributes growth of industries to innovations that are created by entrepreneurs. Entrepreneurs are persons who startup businesses, mobilize resources, take risks and create value (Kirzner, 1973).

The entrepreneur is reported to be a person who perceives opportunity (Drucker, 1986) and exploits it to make a profit. He brings together resources, creates organizations, instigates production activities and moves resources from low value to high value areas. In the process, the entrepreneur creates jobs, creates value and causes growth in an economy. (Say 1924, McClelland, 1960, Chell 1990). The entrepreneur was seen as an individual because of the behavioral attributes leading an organisation to soaring growth. However with the phenomenal growth of size of companies especially the multinational companies, the individual could not be seen yet the companies were growing (Kanter 1983, Pinchot 1985). Researchers started wondering whether there was an individual who was acting entrepreneurially in the organization giving rise to the concept of the entrepreneur or whether the organization could act entrepreneurially without identifying a single person, this led to the birth of corporate entrepreneurship. Entrepreneurship has been conceptualized as a process that can occur in organizations of all sizes and types (Burgelman, *Academy of Management Review*, 8, 32–47, 1983; Miller, *Management Science*, 29, 770–791, 1983; Gartner, *Academy of Management Review*, 10, 696–706, 1985; Kao, *Entrepreneurship, creativity and organization*, 1989).

The increasing growth of multinational and even individual companies long after the retirement, death or even exit of the founder has led to research in understanding corporate entrepreneurship. Many multinational banks, oil companies, car manufacturing and others are continuously expanding their activities yet no single entrepreneur is visible. This study sought to document the case of the phenomenal growth of the companies exploring the concept of corporate entrepreneurship.

## **1.2 Problem Statement**

Since the liberalization of the telecom sector, there has been phenomenal growth in the sector. The number of subscribers of both fixed and mobile phones went up to about 60,000 in 1996 to over 4.5 million in 2007. Before the liberalization of the sector, its contribution to GDP and taxation was minimal. Today, the sector is the largest contributor of tax to government with

MTN as one of the service providers in a number 1 position for two years consecutively. Out of Uganda Shillings four (4) trillion, the sector contributed 10% of the total. MTN took over from Shell an oil company that had dominated tax contribution for over 20 years.

The sector's contribution to GDP is now visible approaching 5%. Direct and indirect employment in the sector has gone up to over 200, 000 jobs (UCC Report). The intangible benefits this sector has brought are; cost reduction in doing business (time and Money) by limiting physical movements between suppliers and customers, producers and suppliers (UCC Report).

This study sought to establish whether corporate entrepreneurship has an influence on the tremendous growth of the telecommunication companies and also to document the case studies of the three companies Celtel, MTN and UTL who were the active telecommunication service providers by the time of the study. Two other companies have been licensed but were not in operation by the completion of the study.

### **1.3 Purpose of the Study**

To establish the role of corporate entrepreneurship in the phenomenal growth in the telecom sector in Uganda.

### **1.4 Objectives of the Study**

- a) To study and document the growth patterns in the telecommunication companies
- b) To study the strategies used to stimulate growth in these companies
- c) To study and understand how competition stimulates entrepreneurship in large organisations.
- d) To create a case on corporate entrepreneurship in telecommunication companies that can be used for teaching management, marketing strategy and entrepreneurship.

### **1.5 Research Questions**

- a) What are the growth patterns of the three companies?
- b) What strategies did they use to grow?
- c) How has competition stimulated entrepreneurship in the three companies?

## **2. Literature review**

### **2.1 Introduction**

The study of entrepreneurship has tended to focus on the individual as the entrepreneur making the individual the unit of analysis (Rosa and Scott 1996, Balunywa, 2007). There is no agreement on what the entrepreneur is or does. Many scholars have described what he does, his behavior and roles in an economy (Schumpeter 1934, 1942, Say 1926, McClelland 1961, Storey 1994 and Chell 1985). The word entrepreneur first appeared in the French language and was used in military expeditions at the beginning of the 16<sup>th</sup> century (Sills, 1968). The entrepreneur was also seen as an adventurer and risk taker. Cantillon cited in Webster (1977) is reported to be the first person to use the word entrepreneur in 1725. He used it to refer to economic activities and referred to the entrepreneur as a person who bought factors of production at a certain price hoping to sell them in the future at an uncertain price. Cantillon thus presented the entrepreneur as a risk taker. Say (1924) a French economist defined an entrepreneur as the agent who unites means of production. He argued that an entrepreneur shifts economic resources from an area of low productivity to one with higher productivity and greater yield.

Schumpeter (1959) refers to an entrepreneur as a person who destroys the existing economic order by introducing new products and services, by creating new forms of organization or exploiting new raw materials. Schumpeter says that the function of an entrepreneur is that of innovation and economic development. Drucker (1985) and Balunywa (2007) support Schumpeter by describing an entrepreneur as a risk taker and innovator. Kirzner (1979) says entrepreneurs are people who perceive and seize opportunity. Drucker (1985) describes an entrepreneur as a person who always searches for change, responds to it and exploits it as an opportunity. Balunywa (2007) describes an entrepreneur as a person who sees things differently and creates value from that difference.

The theoretical underpinnings for entrepreneurship are drawn from different theories that have emerged to explain the concept of the entrepreneur, the entrepreneurship process and entrepreneurial motivation. These include the economists view, sociologists, and psychologists' views (Aldrich and Zimmer, Stevenson and Sahran 1989, Campbell 1982, Chell 1985, Kilby 1985 and Shapero 1985).

Economists explain entrepreneurship from the profit point of view. They argue that entrepreneurial activities are driven by economic incentives. People start businesses and do those activities that give them economic gain (Papanek 1962, Harris 1970, Drucker 1985, Campbell 1992). These are confirmed in a study by Balunywa (2007). The psychological approach puts emphasis on personality and behavior of the person. McClelland is a leading proponent of this view that is, entrepreneurs are driven by the need to achieve and independence among others, to start and exploit business. The sociologists view explains entrepreneurship as emerging from the socio-economic conditions of individuals. Using the individual as an entrepreneur, sociologists tend to seek explanations in traits or behaviors.

## **2.2 Intpreneurs and Corporate Entrepreneurs**

Early research and entrepreneurship literature tended to restrict the meaning of entrepreneurship to individuals and leading scholars like Schumpeter to restricted their interpretation to an individual. Cantillon (1921), Say (1924), McClelland (1961), Glade (1967), Vespere (1981), Shapero (1975) and Chell (1991) all tend to describe an entrepreneur and refer to him as an agent, a risk taker, an organizer and a manager. These descriptions tend to fit the description of the enterprise in an individual. The concept was thus difficult to imagine as anything but an individual. Some contributors to entrepreneurship literature have however departed from this thinking and suggest that entrepreneurship can exist in organizations (Kanter (1983), Pinchot (1985), Aldrich and Zimmer (1986).

They introduce the concept of intrapreneur to refer to intra-corporate entrepreneurs. The development and popularization of the concept of intrapreneurs is a recent occurrence. Gupta and Srinivasan (1995) report that the concept emerged as a result of corporations wanting to retain enterprising people in their organizations. They reported that many senior executives who were entrepreneurial were leaving organizations to escape bureaucracy and inertia. They left because there was no opportunity to innovate, bear risk and possibly reward. Pinchot (1985) described persons who resigned their corporate positions to launch their own businesses as intrapreneurs. Pinchot suggested that large corporations should learn to utilize entrepreneurial talent within their organizations to avoid stagnation and decline. This would involve building a culture within the organization that would support entrepreneurial activity to thrive. This gave rise to the emergency of an entrepreneur within an organization. These are the intrapreneurs, individuals

acting entrepreneurially in an organization. The early proponents to the concept of intrapreneurship also see an individual not necessarily the owner, acting in an entrepreneurial manner in a large organization. The concept thus puts emphasis and indeed focuses on the individual. A person with entrepreneurial personality exists in an organization and is supported by management in a bureaucracy to conduct entrepreneurial activity. Such people are usually founders of the business and those who have influence in the organization and their ideas are supported by top management.

Intrapreneurs, like entrepreneurs are creative people who want freedom to pursue their dreams and expect support for their ideas including investment in the ideas. They want to be independent people and want to be protected. They expect an environment that allows them to express themselves freely (Pinchot, 1985; Brockhaus and Horwitz, 1986; Kanter, 1983; Burns and Dewhurst, 1989). This environment should allow failures, avail resources and new technologies and also provide appropriate systems to receive new ideas along with support by top management.

Prior to this, entrepreneurship has been known, studied and researched as a personality concept. The behaviors of entrepreneurs only allow an individual to be one otherwise some of them cannot be practiced in form of an organization.

Departing from this entrepreneurial school of thought, Pinchot takes the lead as he suggests that entrepreneurial activities can be fathomed in organizations. Pinchot's (1985) work is later supported by Aldrich and Zimmer (1986), who argue that people do not make decisions in a vacuum but rather consult and are subtly influenced by others in their environment. Their views are supported by others like Miller and Friesen, (1982), Covin and Slevin, (1991), Kanter, (1992), Zahra, (1993).

Another school of thought emerges to create corporate entrepreneurship. Can an organization especially large ones, accommodate or take advantage of individuals with enterprising culture especially where the organization has a tradition of routine and bureaucratic behavior? If it can, then this is corporate entrepreneurship. Corporate entrepreneurship is where the organization is entrepreneurial without clearly distinguishing individuals who have the entrepreneurial personality.

Corporate entrepreneurship involves managers creating new combinations of resources in existing firms (Wright et al, 1997). Corporate entrepreneurship has been defined in previous studies as: a process by which individuals inside organizations pursue opportunities independent of the resources they currently control (Stevenson and Jarillo 1990), doing new things and departing from the customary to pursue opportunities (Vesper 1990); a spirit of entrepreneurship within the existing organization (Hisrich and Peters 2007); and the creation of new organizations by an organization, or as an instigation of renewal and innovation within that organization (Sharma and Chrisman 1999). Corporate entrepreneurship involves “extending the firm’s domain of competence and corresponding opportunity set through internally generated new resource combinations” (Burgelman 1984). It is thus possible to have an organization to be entrepreneurial without having entrepreneurs as individuals. This is however, possible, if inside the organization conditions are created that make it possible for individuals to get power to experiment, create develop or test something. This is letting an individual innovate in an organization but without clearly identifying the individual. This is possible in all sections and departments of the organization (Kanter 1983).

An organization can thus be entrepreneurial and can exhibit entrepreneurial characteristics (Kanter,1983; 1992; Aldrich and Zimmer , 1986; Covin and Slevin, 1991; Zahra, 1993; and Batten, 2002). Organizations are entrepreneurial when they exhibit entrepreneurial behavior. Quinn (1985) posits that companies like 3M, Sony and Hewlett Packard were able to achieve and sustain high levels of performance and growth by behaving in an entrepreneurial manner. Corporate entrepreneurship has, for a number of decades, been viewed as one approach for generating growth through new product, process, market, or strategy innovation (Miles, Munilla & Darroch 2008).

### **2.3 Corporate Entrepreneurship Process**

The entrepreneurship process involves those functional activities and actions that enable perception of opportunity and exploiting opportunity to create value. (Bygrave and Hofer, (1991); Bygrave, (1994); Kealey, (1995) and, Balunywa, (2007)). Kuratko et al (2005) state that entrepreneurial actions are any newly fashioned set of actions through which companies seek to exploit entrepreneurial opportunities that rivals have not noticed or exploited. Entrepreneurial actions constitute a “. . . fundamental behavior of firms by which they move into new markets,

seize new customers, and/or combine (existing) resources in new ways” (Smith and Di Gregorio, 2002). Three key dimensions—innovativeness (the seeking of creative solutions to problems or needs), risk-taking (the willingness to commit significant levels of resources to pursue entrepreneurial opportunities with a reasonable chance of failure), and proactiveness (doing what is necessary to bring pursuit of an entrepreneurial opportunity to completion)—underlie entrepreneurial actions (Covin and Slevin, 1991; Lumpkin and Dess, 1996; Morris and Kuratko, 2002).

Where the entrepreneur is an individual, the process involves interaction of the personality of the individual with external factors to cause entrepreneurial events. In the case of corporate entrepreneurship process, the individual is replaced by the organisation. And while the external environment continues to be a key factor in the process, the personality of the individual is replaced with the personality of the organisation, the culture of the organisation and the strategy crafted and pursued by the organisation.

Stopford and Fuller (1994) use, team orientation proactiveness and learning capabilities as antecedents to corporate entrepreneurship. Covin and Slevin (1993) built a model to explain antecedents of corporate entrepreneurship. Their model suggests that the organisation’s environment, both internal and external and the organizations strategy determine the degree to which the organizations behave in an entrepreneurial manner. Zahra (1993) modifies the Covin-Slevin Model.

### **Antecedents of Corporate Entrepreneurship**

Various researchers have argued that for corporate entrepreneurship to take place, a number of conditions need to exist. These include; strong visionary leaderships, flat structures, highly motivated staff, participatory management structures, existence of research and development departments or structure that support ideas, quick adaptation to changing technologies. (Kanter 1983, 1989, Kao 1989, Hamel and Prahalad 1995, Kouzes and Posner 1987, Peters and Waterman 1981, David 1992 and Balunywa 2007).

#### **a) Effective Leadership**

Leadership is one of the key elements in the success of any organization. Leadership involves envisioning the future and selling the vision to others. It is allowing those with ideas to flourish

and supporting them. Leaders inspire others to act. Leaders come up with new goals and new strategies, they also support growth of entrepreneurial activity in an organization (Kanter 1983, Peters and Waterman 1981, Kouzes and Posner 1987).

#### **b) Flat Structures**

The traditional hierarchical structure tends to emphasize positions rather than performance. The traditional hierarchical structure is bureaucratic and has command structure borrowed from the military. Orders are taken from the top to the bottom and is thus slow and does not allow ideas to come from below (Kanter 1983, 1984 Champ) Tall structures dilute top management control and do not encourage a relationship between the top or lower levels of management. The other problem is that communication is poor and ineffective. Communication is now and again distorted as it goes through the hierarchical. Subordinates may misinterpret instructions. Tall structures stifle ideas coming from below due to bureaucracy.

#### **c) The State of the Industry Life cycle**

Corporate entrepreneurship is likely to flourish in industries, which are in the early stage and rapid growth stage of the industry lifecycle. Kanter argues that in mature and saturated industries, innovations are scarce and tend to concentrate on cost cutting.

#### **d) Speed of Commercializing Technology**

Technology tends to be the dominating area in which new products and services are sourced. Organizations that are seen to keep track of technological changes and adopt technology quickly tend to make more innovations and are more entrepreneurial.

#### **e) Progressive treatment of people**

Kanter (1983) argues that innovations are made by people. People are able to be innovative if they have organizational power to do so. Power is authority to perform certain acts. Traditionally owners or founders have authority and this can behave in an entrepreneurial manner. Therefore, to cause innovators in a large organization people must be empowered to do so. People who have power are supported by others. She argues that organizations that produce more innovations give people more opportunity to reach power and use it to generate innovations. There is team approach and teamwork. People continually connect with one another. Kanter found these companies to be more egalitarian, with a higher proportion of women and minorities.

Kathuria and Joshi, (2007) also point out that past research shows that changes in the external environment are a strong antecedent of corporate entrepreneurship (Dess et al., 1999; Guth & Ginsberg, 1990; Naman & Slevin, 1993; Zahra, 1991). Firms operating in hypercompetitive or high velocity environment need to respond with speed and surprise so as to shift the rules of competition (D'Aveni, 1994). In high velocity environments, firm strategies are often more concerned with speed (Eisenhardt, 1989; Eisenhardt & Tabrizi, 1995), change (Eisenhardt & Brown, 1997, 1999), and flexibility (D'Aveni, 1994).

## **2.4 Importance of Corporate Entrepreneurship**

Kearney et al., (2007) concurs that corporate entrepreneurship (entrepreneurial activities and orientations in an established organization) is an important component of organizational and economic development and wealth creation (Antoncic and Hisrich 2004). Corporate entrepreneurship is not only beneficial to organizations but also to economies, as it can effect an economy by increasing productivity, improving best practices, creating new industries, and enhancing international competitiveness (Wennekers and Thurik 1999).

Zahra et al., (1999) argument that one of the major contributions of corporate entrepreneurship activities is the possibility of driving knowledge development that later becomes the foundation of the competencies from which new corporate entrepreneurial activities can emerge. That individuals and small teams can form entrepreneurial groups inside an organization capable of persuading others to alter their behavior, thus influencing the creation of new corporate knowledge which may lead to organizational rejuvenation.

Growth and profitability are performance elements that can be considered important consequences of corporate entrepreneurship. Corporate entrepreneurship has been regarded an important element of successful organizations (Peters and Waterman, 1982; Kanter, 1984; Pinchot, 1985; Thornhill and Amit, 2001; Miles and Covin 2002), since it has its consequences in organizational survival, growth, and performance (Kazanjian, Drazin and Glynn, 2001).

## **3. Methodology**

### ***Research Design***

This study was intended to document the cases of the telecommunications companies and study the role of corporate entrepreneurship on the growth of the different companies. The study used a

combination of case study and survey. Since the industry had only three organizations that were involved in the sector, all the three companies were studied. However to be able to confirm the findings, a survey of the subscribers was undertaken. The study is largely descriptive and analytical.

### ***Study Population***

The industry at the time of commencement of the study had three players in the mobile telephone service provision and therefore all the three companies were studied as mentioned. The companies are;

- a) Celtel Uganda,
- b) Mobile Telephone Network (MTN)
- c) Uganda Telecom (UTL)

To be able to explore corporate entrepreneurship, top management in the three companies were interviewed. To be able to get a confirmation of the information gathered both secondary and primary, subscribers were also interviewed. Over 90 % of the subscribers are in Kampala and that's why it was selected as the area for the study.

### ***Survey: Sampling Design***

The study targeted 50% of the top managers for the interviews using purposive random sampling. Mobile phone users were interviewed at various places in Kampala including markets, corporate employees, institutions of higher learning and the taxi parks using the random sample techniques to eliminate bias. Spreading over a wide area of Kampala ensured randomness.

### ***Sample Size Selection***

The study targeted 50% of the senior managers in the three companies. We also interviewed Uganda Communication Commission officials. With over 4 million subscribers, we targeted a total of 800 subscribers. A total of 498 subscribers to the three telecom companies were interviewed.

The study targeted 24 top managers in the telecom companies; MTN 6 managers, Celtel 5 managers, and UTL 4 managers. The target of 800 respondents was irrespective of the telecom company.

### ***Sources of Data***

Data was obtained from both primary and secondary sources. Primary sources were in-depth interviews with senior managers with different organizations and subscribers. Secondary sources were from published reports primarily by Uganda Communications Commission, company reports, journals and newspapers.

### ***Data Collection Methods***

Questionnaires were designed and tested before being administered. It was agreed that subscribers be interviewed on the street. For the senior managers, they were initially sent questionnaires but it was agreed that in-depth interviews be held with them. The questionnaires were structured to get information about corporate entrepreneurship, innovation and the creativity process.

### ***Problems encountered in the Study***

- a) The companies were not willing to release specific data on the performance of the institutions.
- b) Getting interviews from the senior managers took a long time. They were busy and it took longer than necessary to get commitments from them.

## **4. The findings and discussion**

### **4.1 Nature of Competition in Industry Growth**

CelTel joined the industry which was dominated by UPTC which subsequently became UTL. CelTel joined the industry as a corporation with a profit objective. UPTC as a government company was there to provide a service to the community. MTN joined the industry in 1998 with an objective of making money. UPTC was privatized in 2000 and a consortium of companies bought 51% of the shares, they were motivated by profit. The entry of these institutions could not be attributed to single individual hence the need to look at corporate entrepreneurship. The sector is a heavy investment sector and for a country like Uganda, these companies have invested billions of shilling in high technology equipment. The sector therefore has entry barriers. It is not surprising that the number of players is small. Corporate entrepreneurship activities appear not to subscribe to Schumpeter's swamlike activity where a large number of individuals join the industry. Because it is heavy investment, the companies were also protected and received what

was known as exclusivity periods- the periods when entry was barred by law. This also stifled competition.

The study has tended to concentrate on mobile telephony yet there are other substitutes; the landline and internet. However, because of the technology and the nature of the country's telecommunications infrastructure, landlines fail to come up as a credible alternative. This also includes the cost of installing the landlines. The internet requires a computer which is an expensive piece of equipment and therefore it also has not been a credible substitute. These products have therefore not provided an alternative.

The suppliers in the industry are limited in number and therefore could have been in a position to cooperate to keep prices up. However, the power of the millions of buyers who have been looking for cheaper products has not given advantage to the suppliers.

To be able to position themselves, the companies have used a variety of products and price discounts to lure away customers from competitors. These have included; the talk per second, me to you. Free calls at night, one network in the region, news, roaming, picture messaging, promotional phones and programmes, university challenge, marathon, street kids among others. All these have been strategies to attract customers to specific brands.

#### **4.2 Population Characteristics and Competition in the Industry**

The study generated findings on population characteristics of the subscribers and attempts to explain how the companies have competed. In the following tables, details on gender, age, income, emerge.

According to the table below, 61% of the subscribers to the telecom industry are male of which 27% subscribe to MTN, 11% to UTL, 10% to Celtel, 13% subscribe to combination of MTN, UTL and Celtel. MTN has majority followed by UTL and Celtel. Majority of the subscribers are male which implies that males have more access to telecommunications services compared to the females.

*Table 1: Showing the gender of subscribers*

		<b>Gender</b>		
		<b>Male</b>	<b>Female</b>	<b>Total</b>
Service Provider MTN	Count	133	103	236
	% within service provider	56.3%	43.7%	100.0%
	% of Total	26.7%	20.7%	47.5%
UTL	Count	53	41	94
	% within service provider	56.1%	43.9%	100.0%
	% of Total	10.6%	8.3%	18.9%
Celtel	Count	50	21	71
	% within service provider	71.0%	29.0%	100.0%
	% of Total	10.1%	4.1%	14.3%
MTN & UTL	Count	12	9	21
	% within service provider	55.6%	44.4%	100.0%
	% of Total	2.3%	1.8%	4.1%
MTN & Celtel	Count	44	14	58
	% within service provider	76.0%	24.0%	100.0%
	% of Total	8.8%	2.8%	11.5%
UTL & Celtel	Count	7	7	14
	% within service provider	50.0%	50.0%	100.0%
	% of Total	1.4%	1.4%	2.8%
MTN, UTL & Celtel	Count	5		5
	% within service provider	100.0%		100.0%
	% of Total	.9%		9%
<b>Total</b>	Count	304	195	499
	% within service provider	60.8%	39.2%	100.0%
	% of Total	60.8%	39.2%	100.0%

In Table 2, majority (44%) of the subscribers to the telecom companies are between 29-39 years. Of these 20% subscribe to MTN, 9% to UTL and 6% to Celtel, 1% to MTN and UTL, 7% to MTN and Celtel while 1% subscribe to all the three networks. This age bracket usually has students and working class people. Those between 18-28 years are (43%) and those between 40-50 are 10% and those above 50 years are 2%. The telecom companies in competitive strategies introduce those products and services that appeal to the respective age groups and most of them appeal to those between 18-28 and 29-39 since they make up majority of the subscribers.

Table 1: Showing Cross tabulation of the Age of the Subscribers

		Age				Total
		18-28	29-39	40-50	Above 50	
Service Provider MTN	Count	102	99	28	7	236
	% within service provider	43.1%	42.2%	11.8%	2.9%	100.0%
	% of Total	20.4%	19.9%	5.6%		47.3%
UTL	Count	44	44	7		95
	% within service provider	46.3%	46.3%	7.3%		100.0%
	% of Total	8.8%	8.8%	1.4%		19.0%
Celtel	Count	39	29	2	2	72
	% within service provider	54.8%	38.7%	3.2%	3.2%	100.0%
	% of Total	7.9%	5.6%	.5%	.5%	14.4%
MTN & UTL	Count	7	7	7		21
	% within service provider	33.4%	33.4%	33.4%		100.0%
	% of Total	1.4%	1.4%	1.4%		4.2%
MTN & Celtel	Count	16	34	5	2	57
	% within service provider	28.0%	60.0%	8.0%	4.0%	100.0%
	% of Total	3.2%	6.9%	.9%	.5%	11.6%
UTL & Celtel	Count	7	7			14
	% within service provider	50.0%	50.0%			100.0%
	% of Total	1.4%	1.4%			2.8%
MTN, UTL & Celtel	Count		2	2		4
	% within service provider		50.0%	50.0%		100.0%
	% of Total		.5%	.5%		.9%
<b>Total</b>	Count	215	222	51	11	499
	% within service provider	43.1%	44.4%	10.2%	2.3%	100.0%
	% of Total	43.1%	44.4%	10.2%	2.3%	100.0%

In Table 3 below, majority of the subscribers (53%) earn between Uganda Shillings. 100,000 – 500,000 as monthly income. 28% earn below Uganda Shillings 100,000, 14% earn between Uganda Shillings 500,000 – 1,000,000 while only 4% earn between Uganda Shillings 1,000,000 – 5,000,000. From the table, those who have subscribed to more than 2 networks earn between Uganda Shillings 500,000 – 1,000, 000 and those constitute 4%. Those who earn between Uganda Shillings 100,000 –500,000 are 3%.

As telecom companies introduce new products and services in the market, they take into consideration the fact that most of their customers are low income earners and therefore their products must be affordable.

45% of MTN's Mobile Base are small business people or employees working in small businesses. The reason why they choose MTN is because of the lower prices and coverage. MTN dropped the Western Model. They also introduced small top up denominations. They don't differentiate between prepaid and postpaid tariffs.

In the past, Celtel didn't think that Africans could afford mobile telephone services. They went ahead to provide services to expatriates and a few rich Ugandans in Kampala, Jinja and Entebbe. Their services were rather expensive for the ordinary Ugandans which marked the beginning of negative perceptions about the company in the Ugandan market. It was clear that the company had alienated itself from the market right from the beginning. The market perceived CELTEL as very expensive because the years 2002 and 2003 were the worst for the company, the number of customers drastically went down from 12, 000 to 4, 500 customers. By 2004, Celtel had virtually lost the market. It is then that they took a decision to change, with a different approach and a different brand. Having experimented the mass module elsewhere and it was working, they brought in some changes. They developed brand affinity and preference. They now focused on the 3 Ps i.e. product, price and place. They changed the product. They acquired an Erickson switch and invested in a new network. They also changed their colors from yellow and blue to red and yellow. This was expensive but was important for changing perceptions about the organization – "Perception is reality". They got the product and promotion aligned. They embarked on a serious radio advertising campaign to change the mode of thinking about the organization.

The pricing model was also changed to reflect the new strategy and suit market needs. Their distribution system was also changed. They got into mass distribution that was comparative and competitive with the other players in the market but profitable.

Currently, Celtel has about 1.2 m customers, with pre-paid customers contributing more revenue than postpaid.

Table 2: Showing Cross tabulation of Subscribers Income

		Monthly Income				Total
		Below Shs.100,000	Shs. 100,000-500,000	Shs. 500,000-1,000,000	Shs. 1,000,000-5,000,000	
Service Provider MTN	Count	80	120	26	10	237
	% within service provider	33.7%	51.0%	11.2%	4.1%	100.0%
	% of Total	16.0%	24.3%	5.3%	1.9%	47.6%
UTL	Count	39	46	10		95
	% within service provider	41.0%	48.7%	10.3%		100.0%
	% of Total	7.8%	9.2%	1.9%		18.9%
Celtel	Count	10	53	2	5	70
	% within service provider	13.8%	75.9%	3.4%	6.9%	100.0%
	% of Total	1.9%	10.7%	.5%	1.0%	14.1%
MTN & UTL	Count		17	5		22
	% within service provider		77.8%	22.2%		100.0%
	% of Total		3.4%	1.0%		4.4%
MTN & Celtel	Count	10	15	22	10	57
	% within service provider	17.4%	26.1%	39.1%	17.4%	100.0%
	% of Total	1.9%	2.9%	4.4%	1.9%	11.2%
UTL & Celtel	Count		12	2		14
	% within service provider		83.3%	16.7%		100.0%
	% of Total		2.4%	.5%		1.0%
MTN, UTL & Celtel	Count	2	2			4
	% within service provider	50.0%	50.0%			100.0%
	% of Total	.5%	.5%			1.0%
Total	Count	141	266	67	25	499
	% within service provider	28.2%	53.4%	13.6%	4.9%	100.0%
	% of Total	28.2%	53.4%	13.6%	4.9%	100.0%

Source: Primary data

### 4.3 The Strategies Used by the Companies to Grow

The telecom companies have had to keep up with new trends in technology and therefore have introduced new products and services as part of strategy to grow. The telecom industry is technology driven and as a result mobile phone functions change from time to time. This implies

that customers need a company whose network can handle all the new functions of the handset. The following cross tabulation of the strategies used by the service providers including cost reduction, quality of services and how that satisfies the customers and introduction of new services.

Results in the Table 4 below indicate that the subscribers to MTN, UTL and Celtel had a perception that the service providers had introduced new products and services over the years as part of the strategies used to stimulate growth as indicated by 73% of the subscribers unlike 27% who were of the view that service providers had not introduced new products and services.

Within the 73%, 36% subscribed to MTN, 11% subscribed to Uganda Telecom, 10% of the subscribers to both MTN and Celtel, 9% subscribed to Celtel only, 3% subscribed to MTN and Uganda Telecom, 3% subscribed to UTL, Mango and Celtel and 1% subscribed to all the networks. The results further indicate that MTN has provided more new products and services followed by UTL and lastly Celtel. Further the results indicate that service providers used new products like cheap promotional mobile phones (*Ki Kati, Kabiriti*), roaming, internet services, the Black Berry, video conferencing, Me to You (sending airtime from one phone to another), One Network in East Africa among others as strategies to grow market share. There were no significant differences in the perceptions of the subscribers in regard to the introduction of new products and services as a strategy to stimulate growth (Chi = 12.191, df= 6, P-Value =0.058).

While the telecom companies have over the years come up with various innovations in attempt to maintain and grow market share, subscribers are not given enough time to appreciate and adopt the new products and services. For instance 70% of the subscribers interviewed indicated that they were aware of the new products and services in the network they subscribed to but had not used them. Only 30% were aware of the new products and services introduced in the other networks. It was found these innovations also make some subscribers switch from one network to another and may therefore not stay permanently with a particular network. This makes it difficult for the telecom companies to track subscriber growth.

Table 3: Showing Cross Tabulation of Service Providers and Introduction of New Products and Services

		New Products and Services		
		Yes	No	Total
Service Provider MTN	Count	180	58	238
	% within service provider	75.5%	24.5%	100.0%
	% of Total	36.0%	11.7%	47.7%
UTL	Count	56	39	95
	% within service provider	58.5%	41.5%	100.0%
	% of Total	11.2%	7.9%	19.2%
Celtel	Count	46	26	72
	% within service provider	64.5%	35.5%	100.0%
	% of Total	9.3%	5.1%	14.5%
MTN & UTL	Count	16	3	19
	% within service provider	87.5%	12.5%	100.0%
	% of Total	3.3%	.5%	3.7%
MTN & Celtel	Count	51	7	58
	% within service provider	88.0%	12.0%	100.0%
	% of Total	10.3%	1.4%	11.7%
UTL & Celtel	Count	14	0	14
	% within service provider	100.0%		100.0%
	% of Total	2.8%		2.8%
MTN, UTL & Celtel	Count	3	0	3
	% within service provider	100.0%		100.0%
	% of Total	.5%		.5%
Total	Count	366	133	499
	% within service provider	73.4%	26.6%	100.0%
	% of Total	73.4%	26.6%	100.0%

Source: Primary data

In Table 5 below, there were significant differences among the subscribers on the costs of calling and sending messages across networks (Chi= 119.720, df= 12, P-Value =.000). This implied that subscribers differed significantly or had different opinions on the cost of calling and sending messages across networks. Majority of the MTN (60%) subscribers indicated that the costs of calling on their network was high. However, UTL and Celtel subscribers indicated that the costs of calling and sending messages were affordable as indicated by 59% of UTL subscribers and

61% of Celtel subscribers respectively. Subscribers who had a combination of service providers indicated that they had low costs of calling and sending messages across networks. Generally, the service providers indicated that the costs of billing were average.

*Table 4: Cost of Calling and Sending Messages across Networks as a Strategy to Stimulate Growth.*

		Costs of Calling Across Networks			Total
		Yes	No	3.00	
Service Provider MTN	Count	95	143		238
	% within service provider	39.8%	60.2%		100%
	% of Total	19.0%	28.7%		47.7%
UTL	Count	54	39		93
	% within service provider	58.5%	41.5%		100.0%
	% of Total	11.1%	7.9%		19.0%
Celtel	Count	44	28		72
	% within service provider	61.3%	38.7%		100.0%
	% of Total	8.8%	5.6%		14.4%
MTN & UTL	Count	16	4		20
	% within service provider	77.8%	22.2%		100.0%
	% of Total	3.2%	.9%		4.2%
MTN & Celtel	Count	30	28		58
	% within service provider	52.0%	48.0%		100.0%
	% of Total	6.0%	5.6%		11.6%
UTL & Celtel	Count	9	2		12
	% within service provider	80.0%	20.0%		100.0%
	% of Total	1.9%	.5%		2.3%
MTN, UTL & Celtel	Count		2	2	5
	% within service provider		50.0%	50.0%	100.0%
	% of Total		.5%	.5%	.9%
<b>Total</b>	Count	248	248	2	499
	% within service provider	50.0%	49.5%	.5%	100.0%
	% of Total	50.0%	49.5%	.5%	100.0%

*Source: Primary data*

In Table 6 below, 69% of the subscribers were satisfied with the services as compared to 31% who were dissatisfied with their service providers. 28% of the MTN subscribers were more satisfied with the services compared 15% of UTL, 12% Celtel and 15% of the subscribers who were using a combination of all the three networks. Subscribers who were satisfied indicated that their network said it was cheaper, reliable, had wide coverage in most parts of the country, they didn't have to pay monthly service fee so there were no access days, reliability of networks, good customer care, bonuses, roaming, One Network in East Africa, others said their networks

were cheaper compared to others . All subscribers to the three networks indicated that the companies identified with the common person which made them reluctant to switch to another network. Subscribers also indicated that they were comfortable with the costs if calling and sending messages across networks. They said that for instance call costs are lower at night, public holidays and weekends besides getting bonuses of airtime.

*Table 5: Satisfaction of Subscribers as a Strategy of Growth*

		Satisfied with services			Total
		Yes	No	3.00	
Service Provider MTN	Count	138	99		237
	% within service provider	58.3%	41.7%		100.0%
	% of Total	27.6%	19.8%		47.5%
UTL	Count	73	20		93
	% within service provider	78.0%	22.0%		100.0%
	% of Total	14.7%	4.1%		18.9%
Celtel	Count	59	11		70
	% within service provider	83.9%	16.1%		100.0%
	% of Total	12.0%	2.3%		14.3%
MTN & UTL	Count	16	3	3	22
	% within service provider	77.8%	11.1%	11.1%	100.0%
	% of Total	3.2%	.5%	.5%	4.1%
MTN & Celtel	Count	44	11	3	58
	% within service provider	76.0%	20.0%	4.0%	100.0%
	% of Total	8.8%	2.3%	.5%	11.5%
UTL & Celtel	Count	9	4		13
	% within service provider	66.7%	33.3%		100.0%
	% of Total	1.8%	.9%		2.8%
MTN, UTL & Celtel	Count	3		3	6
	% within service provider	50.0%		50.0%	100.0%
	% of Total	.5%		.5%	.9%
<b>Total</b>	Count	342	148	9	499
	% within service provider	68.7%	30.0%	1.4%	100.0%
	% of Total	68.7%	30.0%	1.4%	10.0%

*Source: Primary data*

#### 4.4 The Working of Corporate Entrepreneurship in the Telecom Companies

Table 6: Showing Changes Introduced in the Telecom companies

**Crosstab**

			Changes introduced in current business	
			Yes	Total
Organisation	UTL	Count	4	4
		% within Organisation	100.0%	100.0%
		% of Total	26.7%	26.7%
	MTN	Count	6	6
		% within Organisation	100.0%	100.0%
		% of Total	40.0%	40.0%
	Celtel	Count	5	5
		% within Organisation	100.0%	100.0%
		% of Total	33.3%	33.3%
Total	Count	15	15	
	% within Organisation	100.0%	100.0%	
	% of Total	100.0%	100.0%	

Source: Primary data

Results in the table above indicate that there were positive perceptions among all senior and middle level managers interviewed i.e. 40% in MTN, 27% in UTL and 33% in Celtel. They therefore seemed to suggest that their companies had changed the business objective, introduced new technology, new processes, had changed equipment like the switches, the masts. This explains the various changes that have been introduced by the telecom companies in the market in attempt to grow and maintain market share.

In the table below, 53% of the managers interviewed indicated they were independent in their way of work and decision making compared to 47% who indicated they were not independent. Of these, 20% were from MTN, 20% from CELTEL and 13% from UTL.

*Table 7: Showing feelings of Independence among Managers in the Telecom Companies*

**Crosstab**

			Feelings of independence		Total
			Yes	No	
Organisation	UTL	Count	2	2	4
		% within Organisation	50.0%	50.0%	100.0%
		% of Total	13.3%	13.3%	26.7%
	MTN	Count	3	3	6
		% within Organisation	50.0%	50.0%	100.0%
		% of Total	20.0%	20.0%	40.0%
	Celtel	Count	3	2	5
		% within Organisation	60.0%	40.0%	100.0%
		% of Total	20.0%	13.3%	33.3%
Total	Count	8	7	15	
	% within Organisation	53.3%	46.7%	100.0%	
	% of Total	53.3%	46.7%	100.0%	

In the table below, 87% of all the managers in UTL, MTN and Celtel indicated that they were risk takers, an important ingredient of entrepreneurship. Within these, 33% were from MTN, 27% from UTL and 27% from Celtel. They agreed that they would take decision without necessarily knowing the outcome. Still from the results, it shows that MTN has a bigger number of managers who are risk takers compared to Celtel and UTL. Jennings and Lumpkin (1989) found that entrepreneurial organisations will tend not to penalize managers if risky projects fail. They based this hypothesis upon Pascale and Athos (1981) work which revealed that innovative firms have management that encourages risk-taking and develops processes that translate ideas into action.

Table 8: Showing Risk Taking Among Managers in the Telecom Companies

**Crosstab**

			Feelings of risk taking		Total
			Yes	No	
Organisation	UTL	Count	4		4
		% within Organisation	100.0%		100.0%
		% of Total	26.7%		26.7%
	MTN	Count	5	1	6
		% within Organisation	83.3%	16.7%	100.0%
		% of Total	33.3%	6.7%	40.0%
	Celtel	Count	4	1	5
		% within Organisation	80.0%	20.0%	100.0%
		% of Total	26.7%	6.7%	33.3%
Total	Count	13	2	15	
	% within Organisation	86.7%	13.3%	100.0%	
	% of Total	86.7%	13.3%	100.0%	

Results in Table 10 below show that 73% of the managers in Celtel and MTN agreed that top management provides support and a conducive environment for employees to generate new ideas which translate into new and better processes, new products and services. Of these, 40% were from MTN while 33% were from Celtel. In UTL, 7% indicated that their management had not put in place sufficient conditions that would enable corporate entrepreneurship to take place and 20% were not sure that such conditions existed in UTL.

Table 9: Showing Management Support for Corporate Entrepreneurship in the Telecom Companies

**Crosstab**

			Management Support				Total
			disagree	Not sure	Agree	Strongly Agree	
Organisation	UTL	Count	1	3			4
		% within Organisation	25.0%	75.0%			100.0%
		% of Total	6.7%	20.0%			26.7%
	MTN	Count			6		6
		% within Organisation			100.0%		100.0%
		% of Total			40.0%		40.0%
	Celtel	Count			4	1	5
		% within Organisation			80.0%	20.0%	100.0%
		% of Total			26.7%	6.7%	33.3%
Total	Count	1	3	10	1	15	
	% within Organisation	6.7%	20.0%	66.7%	6.7%	100.0%	
	% of Total	6.7%	20.0%	66.7%	6.7%	100.0%	

According to the table below, 60% of the managers in UTL, MTN and Celtel agreed that their companies had not criticized them and other employees if they made any mistakes on the job, something which allows people to discover and generate new ideas. They also indicated that they had a chance to try their own methods of work and also varied their methods of work. 14% of the managers in UTL, MTN and Celtel did not perceive their organizations as those that allowed them the freedom to use their judgment and also did not feel that they had a degree of autonomy that allows them to do things their own way. 27% of the managers in all the three companies were not sure that such an environment existed in their companies.

*Table 10: Showing Work Discretion in UTL, MTN and Celtel*

**Crosstab**

			Work Discretion				Total
			disagree	Not sure	Agree	Strongly Agree	
Organisation	UTL	Count	1	2	1		4
		% within Organisation	25.0%	50.0%	25.0%		100.0%
		% of Total	6.7%	13.3%	6.7%		26.7%
	MTN	Count		1	5		6
		% within Organisation		16.7%	83.3%		100.0%
		% of Total		6.7%	33.3%		40.0%
	Celtel	Count		1	3	1	5
		% within Organisation		20.0%	60.0%	20.0%	100.0%
		% of Total		6.7%	20.0%	6.7%	33.3%
Total	Count	1	4	9	1	15	
	% within Organisation	6.7%	26.7%	60.0%	6.7%	100.0%	
	% of Total	6.7%	26.7%	60.0%	6.7%	100.0%	

Findings in the table below show that 80% of the managers in all the 3 companies agreed that their organizations had mechanisms of reward which motivated employees to perform better on their jobs. Of these, 40% were from MTN, 27% from Celtel and 13% from UTL. This implies that they had been recognized when they had outstanding performance. Those who were not sure of whether they would be recognized if they performed well were from Celtel and UTL and were 20%.

*Table 11: Showing Rewards / Reinforcement in the Telecom Companies*

**Crosstab**

			Reward Reinforcement			Total
			Not sure	Agree	Strongly Agree	
Organisation	UTL	Count	2	2		4
		% within Organisation	50.0%	50.0%		100.0%
		% of Total	13.3%	13.3%		26.7%
	MTN	Count		3	3	6
		% within Organisation		50.0%	50.0%	100.0%
		% of Total		20.0%	20.0%	40.0%
	Celtel	Count	1	1	3	5
		% within Organisation	20.0%	20.0%	60.0%	100.0%
		% of Total	6.7%	6.7%	20.0%	33.3%
Total	Count	3	6	6	15	
	% within Organisation	20.0%	40.0%	40.0%	100.0%	
	% of Total	20.0%	40.0%	40.0%	100.0%	

40% of all the managers in the 3 companies agreed that their organization availed them with time which would allow them to develop new ideas. Of these, 20% were from MTN and 20% from Celtel. 7% from Uganda Telecom indicated that they had time constraints on the job, something which could not allow them to spend time to think about wider organizational problems. 53% of the managers in the 3 companies were not sure whether they had time to think about new ideas. This has implications in terms of creativity in organizations. It is important that employees find time to think about how to get things done in an efficient way as well as how the organization can improve its performance.

*Table 12: Showing Time Availability for Managers in the Companies*

**Crosstab**

			Time Availability			Total
			disagree	Not sure	Agree	
Organisation	UTL	Count	1	3		4
		% within Organisation	25.0%	75.0%		100.0%
		% of Total	6.7%	20.0%		26.7%
	MTN	Count		3	3	6
		% within Organisation		50.0%	50.0%	100.0%
		% of Total		20.0%	20.0%	40.0%
	Celtel	Count		2	3	5
		% within Organisation		40.0%	60.0%	100.0%
		% of Total		13.3%	20.0%	33.3%
Total	Count	1	8	6	15	
	% within Organisation	6.7%	53.3%	40.0%	100.0%	
	% of Total	6.7%	53.3%	40.0%	100.0%	

Majority (93%) of all managers in the three telecom companies agreed that they knew what is expected of them by the organization, they were clear of what to do and their work performance was regularly evaluated. Of these, 33% were from MTN, 33% from UTL and 27% from Celtel. Only 7% from MTN indicated they were not sure of what was expected of them.

## **5. Conclusion and Recommendations**

### **5.1 Corporate Entrepreneurship in MTN**

MTN entered the market with a market penetration strategy and therefore looked at extensive network coverage and low prices as the key driver of growth. The investment in network coverage made MTN the fastest growing network in the country. Constructing masts in remote areas like Kitgum, Kotido and Moroto, in which some were areas of civil conflict, was a great achievement of the company. MTN's Public Relations Officer said, *"Once again, MTN pioneered its investment in the areas that were never thought of as investment destinations before"*.

Besides the network and price, MTN has led the other companies in introduction of new services. Over the years, they introduced the short message service information (SMS – Info) product that added value to the classical SMS. With the SMS Info, a customer could access news, sports, jokes, health info, jokes, or trivial.

Then MTN introduced the "predict and win" Package that attracted public interest during the World Cup. The public was also to choose their own Miss Uganda, and the company was overwhelmed with responses.

The SMS Info product was further developed to allow MTN customers with accounts in Nile Bank, to access service- fee and airtime using Automatic Teller Machines (ATM) cards. The system also has a programme, FOODNET for farmers upcountry to access product prices in major towns. MTN further set pace for others when it introduced SMS across networks. It developed the call-in queue service for the prepaid customers as well.

On the fixed line product portfolio, the Fibre Optic Project recorded much success. It now covers an excess of 80kms of the contracted coverage. The company extended beyond Kampala to Jinja and Entebbe. This enabled it to introduce the code number for its landlines, 03x. Pre-paid customers have included the reduction of the service fee from Shs. 18000 to 10,000.

Interviews with the different senior managers indicated that while there has been a receptivity of ideas from different managers. Innovation is a problem in technical areas but MTN has competent people who understand what needs to be done. People are allowed to make mistakes but not the same mistakes all the time. The company's growth was anchored on one champion. This appeared like a case of intrapreneurship rather than corporate entrepreneurship. This is because the senior managers tended to identify a particular individual on whom numerous issues rotated. MTN shows a clear presence of leadership that has enabled the numerous ideas to thrive. One of the key elements has been stability of the key management. The Chief Commercial Officer has been with the company for most of the time and is reported to be responsible for the phenomenal growth of the business. There are reports that when the chief commercial officer who was the key orchestrator of strategy and growth was transferred to another country and the company experienced problems. He was returned and thereafter the company resumed its growth patterns. Steve Jobs the founder of Apple Computer was forced out of the company by John Sculley, a person he brought to the company and Steve Jobs had to go back to Apple to save it. Apple has since come up with the i-pod.

A company founded in South Africa, the decision to start up was a corporate one as part of the desire to grow business elsewhere. MTN's strategy was guided by what existed in the market. The fact that Celtel appeared a service provider to the high end, MTN went in for the low end and successfully penetrated the market. There has therefore been clear leadership in MTN that has driven growth in the organization though surprisingly the leadership was not at the chief executive level.

MTN like Celtel is operating in a high growth industry driven by technology. In such cases the organization either grows or is driven out of the industry by the organizations. This as earlier stated does not require a specific champion. The company simply has to adopt. Interviews with various staff reveal that MTN has given staff challenges to come with ideas that improve the business. MTN's case is one of where intrapreneurship and corporate entrepreneurship have been at play with the emphasis of the former. There has been an identifiable orchestrator of strategy although different people in the organization have played an important role.

## **5.2 Corporate Entrepreneurship in Celtel**

Celtel offers a classic case of corporate entrepreneurship. While it is part of a bigger network, interviews with various managers indicated that while some ideas come from the parent company, the local managers have a free hand in introducing ideas especially of administrative nature in order to actualize some of the services that are offered by the company. The nature of services in the business are generic. All the service providers introduce similar products; they cannot be unique to any. The innovations come from delivering the service fast or thinking about an administrative procedure and introducing it before others do.

Most managers admitted that new products are driven by new technology, customer needs and competition. Currently Celtel offers services to its customer base using mainly GSM technology. The services Celtel provides include; mobile telephony services, ( voice and SMS for ; Postpaid, prepaid and international roaming services), conference calling, SMS information, payments over mobile phone, international roaming, voice mail, web applications, ONE network ( One Network is the service that allows a Celtel Subscriber travel to Kenya, Uganda, Tanzania, DRC, Congo B, Gabon, Niger, Nigeria, Chad, Burkina Faso, Malawi and Sudan, make calls at local rates, receive calls for free and recharge with Local airtime Vouchers), GPRS/EDGE ( This allows Celtel Subscribers to send and receive pictures, graphics, audio and video over their mobile phones), Internet services ( allows Celtel subscribers to access the internet and their corporate networks or send emails and download files with Celtel Internet via phone or computer), Black Berry (This service allows customers to instantly access, read, reply and open their corporate and public e-mail attachments while on the move. The service is supported by the Black Berry devices). Celtel also has an IN platform and community payphone services.

Celtel has installed 3 modern switches (MSC) which are located in Kampala, Wampewo Avenue. These are able to provide modern voice services. It has rolled out networks of GSM 900 and 1800 MHz bands. Celtel has invested significantly in improving their network coverage.

Over the years of Celtel existence, there has been a leadership problem which may reflect on the performance of the company. In the early years of Celtel's existence, there appeared contentment with the growth of the subscribers which moved from 0 to 12500 in 5 years. However, due to the high tariffs, Celtel's revenues were high. During 1998-2003, there was a high turnover of the

Chief Executives, three served the company. This was a period when there was a decline in the number of subscribers.

The Celtel organizational structure has been flat over the years thus setting ideal conditions for ease of communication and flow of ideas. Indeed during the interviews, different managers said that the structure facilitated generation of ideas from below while top management sets the targets, staff initiate changes from below through tier units and get them approved by top management. In the recent years, Celtel has had stability both in management and other staff. The telecom industry in the country has been in the rapid growth stage over the years and coupled with technological changes. Celtel like other service providers has also witnessed rapid growth. This growth has not been led by any industry though the stability of management has been of importance. This confirms Kanter's views (1983) that the industry life cycle support corporate entrepreneurship.

The telecommunications sector is a high technology sector that requires organizations to be alert on the technology that is changing and be able to adapt. Celtel like other providers did not anticipate the rapid growth in the customer base and was at some stage slow in changing technologies. However, this is not the case anymore. Celtel has introduced new services including the blackberry as a response to changing technology.

Entrepreneurship theory tends to identify individuals who start up business and innovate to drive business growth. In Celtel, one cannot identify such an individual either as a founder or even an owner. This is clear from the turnover of the chief executives which came up as a result of the poor performance of the company during certain years. We can therefore conclude that the growth in Celtel is a clear case of corporate entrepreneurship where no individual can be identified as a chief orchestrator of innovations, change and growth.

### **5.3 Corporate Entrepreneurship in Uganda Telecom**

UTL was a government company up to 2002 when it was privatized. 51% of the shares were taken by a consortium of companies from Europe and the Middle East and 49% remained in government hands. This brought new thinking into the company though the change appears not have been embraced fully in the landline business. From interviews with top management, it appears like strategy is driven externally and there is not much synergy coming from within.

UTL appears to have been left in a followership position though admittedly it has taken initiative in several areas. There is a chief strategist who liaises with the different units of the organization to drive the growth in the company. UTL appears to be drawn back by the old fixed line division where the employees are still not sufficiently flexible to improve UTL's performance. Nonetheless, UTL mobile phones have grown tremendously in a very short time. UTL was a government company in an industry where they could never satisfy the demand and despite the small number of subscribers, UTL's revenues were high making it one of the biggest companies in the country. It was therefore a corporation without an individual entrepreneur. The sale of the 51% of shares was to a consortium of companies rather than an individual and this therefore continued the corporate nature of the institution. While the chief executive has been a high profile person, he has not been visible in the operations of the company as a key driver. This means that the growth in the business has largely been driven by unseen individuals.

The people interviewed revealed that it was clear that strategy was not from the chief executive who is a chief strategist in the organization. The organizational structure is flat with only 5 different levels from the chief executive to operating staff. Such structure allows the flow of information and taps into ideas from different places. This type of structure supports corporate entrepreneurship. Like the other companies, UTL has been operating in a high growth industry and can only grow with the industry otherwise it would lose market share to the others.

#### **5.4 Conclusion**

In today's globally competitive environment, the challenge facing most organizations is not one of generating profits but more so how to sustain the organization amidst the dynamic and volatile changes. Corporate Entrepreneurship has been recognized as a means for organizations to enhance the innovative abilities of their employees and increase corporate success through the creation of new corporate ventures (Ferreira, 2002). Hence, organizations have to think creatively and act innovatively to survive, if not compete, in the present global market. One of the ways of doing so is by creating new ventures within the existing corporations, reinventing their processes and systems, introducing new products and other internal innovations.

Past studies have looked at entrepreneurship among individuals. However, the practice of entrepreneurship in a large organization remains unexplored. This study was conducted to fill

that gap and show the contribution of corporate entrepreneurship in the performance of telecommunications companies in Uganda.

Results showed that telecommunications companies had introduced changes in the current business indicated by the positive perceptions among managers of the telecommunication companies (40 per cent in MTN, 27 per cent in UTL and 33 per cent in Celtel). Seventy three percent (73%) of subscribers to the companies also confirmed that they had witnessed new products and services over the last three years. This means that the telecommunications companies exhibited entrepreneurial traits. The most significant entrepreneurship trait found in the companies was the introduction of new products and services.

Results also indicated that top management in all the 3 companies provided a conducive environment for employees to generate and discover new ideas which lead to introduction of new processes, products and services.

Results indicated that 87 percent of the managers in the telecommunications companies scored high on risk taking. There was generally an agreement that managers would take decisions without necessarily knowing the outcome and their organizations tended not to penalize them if the risky projects failed as long as they did not fail all the time.

All these factors fostered high entrepreneurial activity especially in MTN Uganda and Celtel. The findings clearly indicated a significant relationship between intrapreneurs and corporate entrepreneurship within the telecommunications companies with intrapreneurship having a significant effect that is intrapreneurs who created innovations within the organization. Intrapreneurial activity had a positive effect on the past performance of the telecommunications companies especially MTN Uganda.

Overall, the data analysis shows that the 3 telecommunications companies practice corporate entrepreneurship. They exhibited entrepreneurship traits and created a conducive environment for the emergence of intrapreneurs. Hence, it can be concluded that the telecommunications companies in Uganda practice corporate entrepreneurship.

## **5.5 Recommendations**

Telecom companies in Uganda need to continue providing new products and services to the subscribers but it is essential that subscribers be given adequate time to appreciate, use and benefit from the new products and services introduced.

In their innovations, it is also important that the companies desist from duplicating products and services. They need to differentiate their products and services so as to increase market share. On several occasions, when one company introduces a product, competing companies come in to provide the same product or service. If attempt is made to introduce a similar product or service value should be added.

The telecommunications companies in Uganda operate in a highly dynamic environment characterized by changing customer tastes and the ever changing technology. These changes affect an organization and determine its preparedness to act entrepreneurially. This research revealed that catalysts to corporate entrepreneurship include cohesive work groups, decision making which relies upon few integrating devices, effective reward/punishment systems, availability of resources to implement new ideas, little consultation so as not to impede flexibility, autonomy, participative decision-making, and performance objectives developed from a shared participation. The companies need to provide an environment that allows the employees to generate new ideas which should be translated into new products and services to the subscribers.

Although internet prices have dropped, prices are still relatively high compared to regional and international rates. In its regulatory role, the Uganda Communications Commission needs to ensure that internet prices come down further. This would help ensure affordable services that would increase productivity leading to economic growth in various parts of the country.

While teledensity has increased from 8% in June 2006 to 13.3% in June 2007, the average rural person still has no access to telephone services. Rural telephones help the poor find out about food availability, market prices and employment opportunities, therefore essential in improving peoples' lives. Telecom companies like MTN have introduced the Village Phone but more investment is needed in the rural areas. The Uganda Communications Commission needs to lure telecom companies through policy to increase investment in rural areas. The companies should

be able to provide telephone services at lower charges. UCC could also license operators whose technology may not require use of electrical batteries given that many rural areas lack access to electricity.

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 www.mtn.co.ug  
 www.utl.co.ug  
 www.celtel.co.ug

## Appendices

### *Appendix I: Showing growth in the number of Subscribers*

Year	Number of Service Providers	Fixed lines	MOBILE			Pay Phones	Internet Service Providers	E-mail Subscribers	Total No. of Mobile Subscribers
			MTN	Celtel	UTL				
1996	2	45,145				1,258	2	504	3000
1997									
1998	2	56,196				1,433	7	1,308	12,000
1999	3	58,261				1,680	9	4,248	72,602
2000	4	61,462					11	5,688	188,562
2001	4	56,149				3,075	11	5,999	276,034
2002	4	59,472				3,278	17	6,500	505,627
2003	4	65,793				3,086	17	7,024	777,563
2004		71,056							1,040,112
2005									
2006									
2007			2,000,000	1,400,000	882,000				

### *Appendix II: Showing a Summary of the age of subscribers interviewed*

Age bracket	MTN	%	UTL	%	Celtel	%
18-28	233	80	84	62	21	30
29-39	44	15	35	26	17	24
40-50	9	3	13	10	35	50
Above 50	6	2	3	2	1	1
<b>Total</b>	<b>292</b>	<b>100</b>	<b>135</b>	<b>100</b>	<b>74</b>	<b>100</b>

*Appendix III: Showing a summary of the sex of the subscribers*

<b>Sex</b>	<b>MTN</b>	<b>%</b>	<b>UTL</b>	<b>%</b>	<b>Celtel</b>	<b>%</b>
Female	219	75	88	65	44	60
Male	73	25	47	35	30	40
<b>Total</b>	<b>292</b>	<b>100</b>	<b>135</b>	<b>100</b>	<b>74</b>	<b>100</b>

*Appendix IV: Showing a summary of the education level of the subscribers*

<b>Education Level</b>	<b>MTN</b>	<b>%</b>	<b>UTL</b>	<b>%</b>	<b>Celtel</b>	<b>%</b>
Primary	29	10	12	9	11	15
Secondary	29	10	20	15	7	10
Diploma	146	50	54	40	37	50
1 <sup>st</sup> Degree	88	30	35	26	19	25
Postgraduate		-		-	-	-
Non Response			14			
<b>Total</b>	<b>292</b>	<b>100</b>	<b>135</b>	<b>100</b>	<b>74</b>	<b>100</b>

**Appendix V: Questionnaire**

**QUESTIONNAIRE FOR SENIOR MANAGERS**

Entrepreneurship is usually answered with small firms and individuals and yet corporations also behave entrepreneurially. We are undertaking a study in the telecommunications sector on corporate enterprises act entrepreneurially. We will be pleased if you assisted us in completing then questionnaire and return it to us.

**PART I: INFORMATION ABOUT THE RESPONDENT**

- 1.1 Name .....
- 1.2 Date of birth .....
- 1.3 Sex .....
- 1.4 Place of birth: Village/ Town..... District.....
- 1.5 Country of Birth.....Nationality.....
- 1.6 Marital status: Single/ Married/ Widowed.....
- 1.7 No. of Children (yours) Boys ..... Girls .....
- 1.8 Your position in the family: 1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, others state .....
- 1.9 Educational background, highest level reached .....

**Universities Attended**

.....  
.....  
.....

- 1.10 What are your goals in life? ( tick 2)
  - To be wealthy
  - To excel in business
  - To be independent
  - To live well
  - To excel in my profession
  - To serve society
  - Other, specify .....
- 1.12 Do you think you achieved it? **Yes/ No**
- 1.11 Name of organisation .....
- 1.12 Your current position in the organization.....

**PART II: INFORMATION ABOUT THE ORGANISATION**

(Current Main Business)

- 1.13 Legal structure ( Tick)
  - Private Limited company
  - Public limited company
  - Listed Yes/ No
- 1.14 Year of establishment .....

- 1.15 Nature of business: .....
- 1.16 Major products/ services rendered
- .....
- 1.17 Source of capital : Share holders/ Bank loans/ others ( Tick)
- 1.18 Why was the business established? ( Tick up to 3)
- Make money
  - Gain respect from friends/ Family
  - Saw an opportunity / gap in the market.
  - Others, specify .....
- 1.19 Has the business been successful? Unsuccessful/ moderately successful/ very successful ( Tick)
- 1.20 How many people does it employ now .....
- 1.21 Turnover ( Sales) in volume/ value in the last four years  
2003....., 2004 ....., 2005....., 2006.....
2. 10 Current Value of assets in Shs .....
2. 11 Return on investment % .....
- 2.12 What has been the biggest challenge your business has faced so far?.....
- .....
- 2.22 Changes introduced in the current business.
- a) For the following things about your business, tick if you have done it and indicate whether you will do it if necessary:

		What have you done Yes/ No
i	Changed business objective	
ii	Introduced new business objective	
iii	Introduced new products and services	
iv	Introduced new technology	
v	Introduced new machines	
vi	Changed organizational structure	
vii	Recruited additional staff	
viii	Reduced staff size	
ix	Restructured the business	
x	Merged departments	
xi	Closed branches	
xii	Opened new branches	
xiii	Split departments	
xiv	Changed working hours	
xv	Introduced new methods of procurement	
xvi	Introduced new accounting software	
xvii	Changed new soft ware	
xviii	Introduced computer in work	
xix	Opened new markets	
xx	Brought new managers	
xxi	Learn new management style	
xxii	Introduced Quality management	

		What have you done Yes/ No
xxiii	Introduced cost cutting measures	
xxiv	Improved communication	
xxv	Bought new communication equipment	
xxvi	Constructed new buildings	
xxvii	Bought new office equipment	
xxviii	Changed office layout	
xxix	List any other changes introduced	

b) What would you do again in future? List at least 5

- i) .....
- ii) .....
- iii) .....
- iv) .....
- v) .....

**PART II: YOUR CHILDHOOD**

Did you grow up with your parents? Yes / No

If yes, which parents do you prefer? \_\_\_\_\_

If no, who did you grow up with? \_\_\_\_\_

Who of the parents had much influence on you as a child? \_\_\_\_\_

Were any of your parents involved in business? Yes / No

If Yes, which one? \_\_\_\_\_

Did you fear any of the parents? Yes / No

If Yes, which one? \_\_\_\_\_

Why? \_\_\_\_\_

What was the nature of the business? (tick) Farming / trade / manufacture

Did you ever work in the business? Yes / No

Were any of your parents employed anywhere? Yes / No

If employed where and as what? \_\_\_\_\_

What did you learn from your parents? (tick)

- Discipline
- Prayer
- Hard work
- Frugality
- Doing business
- Nothing

Were you stubborn as a child? Yes / No

Were you cautious as a child? Yes / No

Were you daring or adventurous as a child? Yes / No

**PART III: Control, Independence and Risk Taking**

**Feelings of Control**

Do you often feel “that’s just way things are, there’s nothing I can do about it”. **Yes / No**

When things go right, do you think, it is mostly “luck”? **Yes / No**

Do you think you should go into business because that is what everybody is doing? **Yes / No**

Do you know that if you decide to do something, you will do it and nothing can stop you?

**Yes / No**

Even though its frightening to try something new, are you the kind who tries it? **Yes / No**

If you want something, do you ask for it rather than wait for someone to notice you and “just give it to you”? **Yes / No**

Even though people tell you “it can be done”, do you have to find out for yourself? **Yes / No**

### **Feelings of Independence**

I hate to go for shopping for clothes alone. **Yes / No**

I want to be financially independent. **Yes / No**

I often need to ask other people’s opinions before I decide where to go on a social evening out.

**Yes / No**

I’d rather have other people decide where to go on a social evening out. **Yes / No**

When I know I’m in charge, I don’t apologize; I just do what has to be done. **Yes / No**

I’ll speak up for an unpopular cause if I believe in it. **Yes / No**

I’m afraid to be different. **Yes / No**

I want the approval of others. **Yes / No**

### **Feelings of Risk Taking**

Can you take risks with money, that is, invest and not know the outcome? **Yes / No**

Do you take an umbrella with you every time you travel? A hot water bottle ? A thermometer?

**Yes / No**

If you are frightened of something, will you try to conquer the fear? **Yes / No**

Do you like trying new foods, new places and totally new experiences? **Yes / No**

Have you taken a risk in the last six months? **Yes / No**

Can you walk to a total stranger and strike up a conversation? **Yes / No**

Have you ever intentionally traveled an unfamiliar route? **Yes / No**

Do you need to know that it is been done already before you are wiling to try it? **Yes / No**

Can you go for dinner with somebody you don’t know? **Yes / No**

## **PART IV**

Did you like going to school?

Do you enjoy school?

Did you have friends at school?

Did you participate in any school activity?

If Yes, what? \_\_\_\_\_

Did you do any if the following while at school? (tick)

a. Part time job

b. Holiday job

c. Holds an office of responsibility at school

Tick the aspects you think you learnt at school

a. Taught me not to fear

b. Taught me to take friends

c. Taught me to interact with people

d. Taught me to be independent

e. Opened up opportunities for me

f. Taught me to respect elders

g. Taught me to work hard

**PART V**

We are interested in learning about how you perceive your workplace and organization. Please read the following items. Using the scale below please indicate how much you agree or disagree with each of the statements. If you strongly agree, write “5”. If you strongly disagree, write “1”. There are no right or wrong answers to these questions so please be as honest and thoughtful as possible in your responses. All responses will be kept strictly confidential. Thank you for your cooperation!

Strongly Disagree	Disagree	Not sure	Agree	Strongly agree
1	2	3	4	5

**Section 1: Management Support for Corporate Entrepreneurship**

- |  |   |   |   |   |   |
|--|---|---|---|---|---|
| 1. My organization is quick to use improved work methods.  | 1 | 2 | 3 | 4 | 5 |
| 2. My organization is quick to use improved work methods that are developed by workers.  | 1 | 2 | 3 | 4 | 5 |
| 3. In my organization, developing ideas for the improvement of the corporation is encouraged.  | 1 | 2 | 3 | 4 | 5 |
| 4. Upper management is aware of and very receptive to my ideas and suggestions.  | 1 | 2 | 3 | 4 | 5 |
| 5. A promotion usually follows from the development of new and innovative ideas.   | 1 | 2 | 3 | 4 | 5 |
| 6. Those employees who come up with innovative ideas on their own often receive management encouragement for their activities.                                 | 1 | 2 | 3 | 4 | 5 |
| 7. The “doers” on projects are allowed to make decisions without going through elaborate justification and approval procedures.                                | 1 | 2 | 3 | 4 | 5 |
| 8. Senior managers encourage innovators to bend rules and rigid procedures in order to keep promising ideas on track.  | 1 | 2 | 3 | 4 | 5 |
| 9. Many top managers are known for their experience with the innovation process.   | 1 | 2 | 3 | 4 | 5 |
| 10. Money is often available to get new project ideas off the ground.  | 1 | 2 | 3 | 4 | 5 |
| 11. Individuals with successful innovative projects receive additional rewards and compensation for their ideas and efforts beyond the standard reward system. | 1 | 2 | 3 | 4 | 5 |
| 12. There are several options within the organization for individuals to get financial support for their innovative projects and ideas.                        | 1 | 2 | 3 | 4 | 5 |
| 13. People are often encouraged to take calculated risks with ideas around here.   | 1 | 2 | 3 | 4 | 5 |
| 14. Individual risk takers are often recognized for their willingness to champion new projects, whether eventually successful or not.                          | 1 | 2 | 3 | 4 | 5 |
| 15. The term “risk taker” is considered a positive attribute for people in my work area.   | 1 | 2 | 3 | 4 | 5 |
| 16. This organization supports many small and experimental projects realizing that some will undoubtedly fail.   | 1 | 2 | 3 | 4 | 5 |
| 17. An employee with a good idea is often given free time to develop that idea.  | 1 | 2 | 3 | 4 | 5 |

18. There is considerable desire among people in the organization for generating new ideas without regard for crossing departmental or functional boundaries. 1 2 3 4 5
19. People are encouraged to talk to employees in other departments of this organization about ideas for new projects. 1 2 3 4 5

**Section 2: Work Discretion**

20. I feel that I am my own boss and do not have to double-check all of my decisions with someone else. 1 2 3 4 5
21. Harsh criticism and punishment result from mistakes made on the job. 1 2 3 4 5
22. This organization provides the chance to be creative and try my own methods of doing the job. 1 2 3 4 5
23. This organization provides the freedom to use my own judgment. 1 2 3 4 5
24. This organization provides the chance to do something that makes use of my abilities. 1 2 3 4 5
25. I have the freedom to decide what I do on my job. 1 2 3 4 5
26. It is basically my own responsibility to decide how my job gets done. 1 2 3 4 5
27. I almost always get to decide what I do on my job. 1 2 3 4 5
28. I have much autonomy on my job and am left on my own to do my own work. 1 2 3 4 5
29. I seldom have to follow the same work methods or steps for doing my major tasks from day to day. 1 2 3 4 5

**Section 3: Rewards/Reinforcement**

30. My manager helps me get my work done by removing obstacles and roadblocks. 1 2 3 4 5
31. The rewards I receive are dependent upon my work on the job. 1 2 3 4 5
32. My supervisor will increase my job responsibilities if I am performing well in my job. 1 2 3 4 5
33. My supervisor will give me special recognition if my work performance is especially good. 1 2 3 4 5
34. My manager would tell his/her boss if my work was outstanding. 1 2 3 4 5
35. There is a lot of challenge in my job. 1 2 3 4 5

**Section 4: Time Availability**

36. During the past three months, my workload kept me from spending time on developing new ideas. 1 2 3 4 5
37. I always seem to have plenty of time to get everything done. 1 2 3 4 5
38. I have just the right amount of time and workload to do everything well. 1 2 3 4 5
39. My job is structured so that I have very little time to think about wider organizational problems. 1 2 3 4 5
40. I feel that I am always working with time constraints on my job. 1 2 3 4 5
41. My co-workers and I always find time for long-term problem solving. 1 2 3 4 5

**Section 5: Organizational Boundaries**

42. In the past three months, I have always followed standard operating procedures 1 2 3 4 5

or practices to do my major tasks.

- |   |   |   |   |   |   |
|---|---|---|---|---|---|
| 43. There are many written rules and procedures that exist for doing my major tasks.  | 1 | 2 | 3 | 4 | 5 |
| 44. On my job I have no doubt of what is expected of me.  | 1 | 2 | 3 | 4 | 5 |
| 45. There is little uncertainty in my job.  | 1 | 2 | 3 | 4 | 5 |
| 46. During the past year, my immediate supervisor discussed my work performance with me frequently.                         | 1 | 2 | 3 | 4 | 5 |
| 47. My job description clearly specifies the standards of performance on which my job is evaluated.                         | 1 | 2 | 3 | 4 | 5 |
| 48. I clearly know what level of work performance is expected from me in terms of amount, quality, and time line of output. | 1 | 2 | 3 | 4 | 5 |

**Please indicate your management status: Area Manager / General Manager**

**Appendix VI: Questionnaire**

**Questionnaire Guide**

**SECTION I: BACKGROUND INFORMATION**

To help us form a picture of the background and experience of our respondents. Please answer the following questions.

1.1 Gender (Tick one): Male \_\_\_\_\_ Female \_\_\_\_\_

1.2. How old are you? (18-28) (29-39) (40-50) Above 50

1.3. What is your marital status?

i) Married \_\_\_\_\_ ii) Single \_\_\_\_\_ iii) Widowed \_\_\_\_\_

iv) Divorced \_\_\_\_\_ v) Others (specify) \_\_\_\_\_

1.4. How many children do you have?

i) 1 – 2 \_\_\_\_\_ ii) 3 – 4 \_\_\_\_\_ iii) 5 – 6 \_\_\_\_\_ iv) Above 6 ----- v) None -----

1.5. What is your level of education?

i) Primary \_\_\_\_\_ ii) Secondary \_\_\_\_\_ iii) Diploma \_\_\_\_\_

iv) Undergraduate Degree \_\_\_\_\_ v) Postgraduate degree / diploma \_\_\_\_\_

1.6. What is your monthly income?

Below Shs. 100,000 (...) Shs. 100,000 – 500,000 (...) Shs. 500,000 – 1,000,000 (...) Shs. 1,000,000 – 5,000,000 (...)

5,000,000 - 10,000,000 (...) Over Shs. 10,000,000 (...)

**SECTION II**

2.1 Who is your service provider? MTN ----- UTL (Mango) ----- Celtel ----  
---

2.2 Are you satisfied with the services that you receive? Yes ----- No -----

If not, why?-----

If yes, how?-----

2.3 Are you comfortable with the cost of calling, sending messages across the different networks? Yes ----- No -----

Give reasons for your answer -----

2.4 Dd you buy the phone to call others and receive calls or you knew it had other benefits like SMS?

-----

2.5 Have you changed the networks over the years? Yes ----- No -----

If not, why?-----

---

If yes, why?-----

2.6 How have you benefited from using this phone?-----

2.7 Service providers have introduced new products and services over the years. Are you aware of these services? Yes ----- No -----

If yes, which ones? Have you been able to use some of these services? (Please List)-----

-----

2.8 Would you recommend this network (s) to somebody else? Yes -----No -----