

**THE EFFECT OF MANAGERIAL COMPETENCE ON FINANCIAL
PERFORMANCE
A CASE OF SIRONKO LOCAL GOVERNMENT**

**JOAN KATOOKO
BU/UP/2017/323**

**A RESEARCH REPORT SUBMITTED IN PARTIALFULFILLMENT OF THE
REQUIREMENTS FOR THE AWARD OF A DEGREE OF BACHELOR
OF BUSINESS ADMINISTRATION, DEPARTMENT OF
ECONOMICS AND MANAGEMENTTO FACULTY
OF MANAGEMENT SCIENCES,
BUSITEMA UNIVERSITY
NOVEMBER 2020**

DECLARATION

I do declare that this research project has been compiled and produced out of my personal exposure and findings and it has never been submitted to any institution for academic award.

Name of student

Registration number

Signature Date

APPROVAL SHEET

I certify that this research project was compiled and produced under supervision for partial fulfillment for the award of bachelors' degree in accounting and finance. I recommend it to be submitted to the department of economics and management, Faculty of Management sciences.

Supervisor

Signature:

Mr. Ronald Emojong

Date.....

ACKNOWLEDGEMENT

I acknowledge the almighty God who has given me the strength and will to pursue this study.

My special appreciation to my supervisor Mr. Emojong Ronald and other Lecturers in the department of Economics and management who took effort to guide and advise me during the entire period of my project

I am also indebted to my Mum Nankoma Immaculate, Brother Guwa Fred and classmates Ikalai Catherine and my friend Nambale Godfrey for all their invaluable support and encouragement during my period of study.

Finally I thank all the businesses which assisted me in conducting this research, for their time which they spared to enable me get data.

ABSTRACT

The study investigated the effect of managerial competencies and financial performance sironko district, eastern Uganda. The study was induced by the managerial in competencies experienced in the local government leading to low performance. This study thus aimed at enhancing the understanding of the impact of managerial competencies on financial performance at the district. Objectives of the study were to determine the effect of management capacity on financial performance, to determine the effect of managerial acumen on financial performance, to determine the effect of domain knowledge on financial performance. Data was collected using a Questionnaire and an interview guide. The study revealed a strong positive correlation between managerial competence skills and financial performance. It also revealed a strong positive correlation between knowledge and financial performance. The study revealed a strong positive correlation between attitude and financial performance. The study concluded that there is a strong relationship between employee skills and financial performance. It also concluded that knowledgeable workers should be employed especially in the top level management. Again the study concluded that attitudes of workers improve financial performance. The study recommended that employee skills are needed in financial performance in the LGs. The study recommended that employee skills are needed in financial performance in the LGs. It also recommended that employees should be provided with relevant information and manuals in order to improve on the knowledge. Again the study recommended that employees should improve on the skills in order enhance financial performance in the LGs

TABLE OF CONTENTS

DECLARATION	i
APPROVAL SHEET	ii
ACKNOWLEDGEMENT	iii
ABSTRACT	iv
1.0 Introduction.....	1
1.1 Background of study	1
1.2 Statement of the Problem.....	4
1.3 Purpose of the study.....	4
1.4 Research objectives.....	4
1.5 Research questions.....	4
1.6.0 Scope of the Study	5
1.6.1 Content Scope	5
1.6.2 Geographical Scope	5
1.6.3 Time Scope	5
1.7 Significance of the Study	5
1.8 Conceptual frame work.....	7
1.9 Assumptions of the study.....	7
1.10 Limitations the study.....	8
1.11 Definition of terms used in the study	8
CHAPTER TWO	9
LITERATURE REVIEW	9
2.1 Introduction.....	9
2.2 Historical review	9
2.3 Theoretical review	9
2.4 The effect of management capacity on financial performance	10
2.5 The effect of managerial acumen on financial performance	12
2.6 The effect of domain knowledge on financial performance	14
2.7 Summary of the literature	17

CHAPTER THREE	18
RESEARCH METHODOLOGY	18
3.0 Introduction.....	18
3.1 Research Design.....	18
3.2 Population to be studied.....	19
3.3 Sample Design	19
3.4 Sampling method	19
3.5 Type of data	19
3.6 Data Collection methods.....	19
3.7 Data Collection Procedure	20
3.8 Data Analysis plan	20
3.9 Data Analysis Techniques and Methods.....	21
3.10 Instrument pre-testing	21
3.11 Ethical Considerations	21
THE QUESTIONNAIRE	22