

Relationship between strategic planning and financial performance of telecommunication firms. A cross-sectional case study of Airtel -Uganda.

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Page | 1

Abstract

Background

Strategic planning is a fundamental component influencing the financial performance of telecommunication firms. The purpose of this study is to examine the relationship between strategic planning and financial performance.

Methodology

A descriptive, correlational, and cross-sectional study in which Data were collected using structured questionnaires for departmental staff, semi-structured interviews with senior executives, and a documentary review of financial reports and operational records.

Results

Results indicate that 58.6% were male, while 41.4% were female. The results revealed a strong positive correlation between strategic planning and financial performance ($r = 0.783$, $p < 0.01$). Respondents strongly agree that supply chain strategic planning is aligned with overall corporate objectives (Mean = 4.60, SD = 0.58). The statements regarding management participation (Mean = 4.50, SD = 0.65) and conducting regular environmental scans (Mean = 4.50, SD = 0.65) received slightly lower scores. The items "Strategic planning helps in identifying and mitigating supply chain risks" (Mean = 4.58, SD = 0.59) and "Strategic planning enhances competitive advantage" (Mean = 4.58, SD = 0.59) received high scores. The statements related to communication of goals (Mean = 4.55, SD = 0.60), interdepartmental collaboration (Mean = 4.57, SD = 0.60), and effective implementation (Mean = 4.55, SD = 0.60) show that respondents perceive strategic planning as a cohesive and coordinated effort. Long-term decision making based on data and forecasting (Mean = 4.54, SD = 0.62) and the use of digital tools (Mean = 4.54, SD = 0.62) indicate that firms are moderately leveraging technology and analytics to inform strategic decisions.

Conclusion

Strengthening planning processes through robust market analysis, demand forecasting, and capacity management can significantly improve profitability and operational efficiency.

Recommendations

Airtel Uganda should institutionalize a structured strategic planning framework that includes scenario planning, market intelligence, and risk assessment to anticipate industry changes.

Keywords: Strategic planning, Financial performance, Airtel- Uganda, Telecommunication firms

Submitted: October 12, 2025 **Accepted:** October 21, 2025 **Published:** October 30, 2025

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Background

Page | 2

Strategic planning is a fundamental component influencing the financial performance of telecommunication firms. It involves setting long-term goals, analysing internal and external environments, and formulating strategies that align operational activities with organisational objectives (Bryson, 2018). In the telecom sector, where rapid technological innovation and dynamic market conditions prevail, effective strategic planning enables firms to anticipate changes, allocate resources efficiently, and maintain competitive advantage (David, 2017; Johnson, Scholes, & Whittington, 2020).

Over the past decade, telecommunications firms globally have experienced a transition from high-growth expansion phases to more mature operational models, reflected in slowing revenue growth, fluctuating capital expenditures, and stable yet pressured profitability. In 2023, global telecom revenues across fixed and mobile services increased by 4.3% to approximately USD 1.1 trillion, with future growth projected at a compound annual growth rate (CAGR) of 2.9% through 2028, while average revenue per user (ARPU) continues to decline by approximately 2% annually (PwC, 2025). Similarly, total sector revenues in 2024 reached USD 1.78 trillion, yet global capital expenditure fell by 6.2% year-on-year to USD 295.4 billion, the lowest level since 2011, indicating a shift from peak 5G infrastructure investment to a more capital-efficient deployment model (GlobalNewswire, 2025). Despite these headwinds, profitability has remained resilient: in 2024, the global telecommunications industry reported EBIT margins of 15.3% and EBITDA margins of 33.7%, driven by operational efficiencies and cost-optimisation strategies (GlobalNewswire, 2025). However, performance varies across regions; Asia-Pacific operators like Bharti Airtel and Reliance Jio outperformed many global peers, with Airtel posting 37.2% year-over-year EBITDA growth in FY 2024, largely due to strong digital adoption, cost discipline, and scalable infrastructure (Twimbit, 2025).

Effective SCM, guided by the RBV, enables telecom firms to coordinate complex sourcing networks and logistics processes, improving responsiveness and service quality, which in turn positively influences financial outcomes (Christopher, 2016). For instance, telecommunication companies that develop proprietary supply chain information systems or cultivate strategic supplier relationships may achieve superior inventory management

and faster deployment of network infrastructure, leading to enhanced profitability and market competitiveness (Teece, Pisano, & Shuen, 1997). Thus, RBV underscores the importance of internal supply chain capabilities as critical resources that drive sustainable financial performance in the dynamic telecommunications sector. Logistics covers the transportation, warehousing, and distribution of goods, ensuring timely delivery and cost-effective management of inventory across the supply chain network (Rushton, Croucher, & Baker, 2017). Advanced logistics capabilities, supported by technology and real-time data, are vital for optimising the movement of products and responding to dynamic market demands. Together, these SCM components form the backbone of operational excellence in industries such as telecommunications, where managing complex networks and supply chains is critical to maintaining service quality and financial performance (Wang et al., 2016). The study aims to assess the relationship between strategic planning and the financial performance of Airtel- Uganda.

Methodology

Research design

The study adopted a descriptive, correlational, and cross-sectional design to investigate the relationship between supply chain management practices and the financial performance of Airtel Uganda. The descriptive design enabled the researcher to systematically describe the characteristics of the variables under study. In addition, the correlational aspect of the design was employed to examine the nature and strength of the relationships between the supply chain management components and financial performance metrics. The cross-sectional survey design was used to collect data at a single point in time from a representative sample of Airtel Uganda employees and management involved in supply chain and financial functions. This provided a snapshot of the prevailing practices and their perceived impact on financial outcomes, enabling timely and relevant insights. The study utilised an embedded mixed methods research approach, which involved collecting and analysing both quantitative and qualitative data within a single study framework to provide a comprehensive understanding of the relationship between supply chain management practices and the financial performance of Airtel Uganda. In this approach, the quantitative data served as the primary source of

information, focusing on measurable financial indicators and supply chain metrics such as operating profit, churn rate, and procurement efficiency. Qualitative data were embedded within the study to complement and enrich the quantitative findings.

Population size

Table 1: Population size, sample size, sampling technique, data collection methods

Participants	Population	Sample size	Sampling Technique	Data collection methods
Chief Executive Officer	01	01	Purposive sampling	Interview
Chief operations manager	01	01	Purposive sampling	Interview
Chief Finance Officer	01	01	Purposive sampling	Interview
Procurement officer	01	01	Purposive sampling	Interview
Procurement department staff	40	24	Stratified sampling	Questionnaire
Finance Department staff	67	41	Stratified sampling	Questionnaire
Marketing department staff	104	63	Stratified sampling	Questionnaire
IT and Business Intelligence Staff	35	21	Stratified sampling	Questionnaire
Total	250	152		

Source: Airtel Uganda Human Resource Department (2024)

The study population consisted of employees from various departments of Airtel Uganda who were directly or indirectly involved in supply chain operations and financial decision-making processes. These departments included Procurement, Finance, Marketing, IT & Business Intelligence, and top executive leadership, all of which played critical roles in the strategic planning and financial performance of the organisation.

The total population for the study was 250 employees, drawn from both senior management and operational staff.

Sample size

The sample size for this study was determined using the Krejcie and Morgan (1970) table for sample determination. Given that the study's target population at Airtel Uganda was 250 employees, the corresponding sample size according to Krejcie and Morgan's table was 152 respondents. This sample size was considered adequate for generalising the findings to the broader population of employees involved in supply chain and financial functions within the organisation.

The sample of 152 respondents was drawn from multiple departments, including Procurement, Finance, Marketing, and IT & Business Intelligence, as well as from senior management, proportionally based on the population size.

Sampling techniques

The study employed a combination of stratified random sampling and purposive sampling techniques to select participants from the target population of Airtel Uganda. This mixed sampling approach ensured that the sample was both representative of the different functional departments involved in supply chain management and financial performance and inclusive of key decision-makers who possessed specialised knowledge relevant to the study objectives.

Stratified random sampling

Stratified random sampling was used for departmental staff in Procurement, Finance, Marketing, and IT & Business Intelligence. The population was divided into distinct strata based on department, and then a proportional number of participants from each stratum were randomly selected using simple random sampling. This method ensured that each department was fairly represented in the sample, thereby enhancing the generalizability and reliability of the findings across the organisation.

Purposive sampling

Purposive sampling was applied to select top-level executives, including the Chief Executive Officer (CEO), Chief Operations Manager, Chief Finance Officer (CFO),

and the Head of Procurement. These individuals were intentionally selected based on their strategic roles and in-depth knowledge of Airtel Uganda's operations, decision-making processes, and performance metrics. Their insights were gathered through interviews to provide a deeper contextual understanding of how supply chain management practices influenced financial performance at the executive level.

Data collection methods

The study utilised three primary data collection methods: questionnaires, interviews, and documentary review. These methods were selected to ensure triangulation, enhance the reliability and validity of the data, and capture both quantitative and qualitative dimensions of the research problem.

Questionnaire method

Structured questionnaires were used to collect quantitative data from departmental staff in Procurement, Finance, Marketing, and IT & Business Intelligence. The questionnaire was designed with both closed-ended and Likert-scale questions to measure perceptions and practices related to supply chain planning, and their impact on financial performance. Questionnaires were administered physically or electronically, depending on respondents' availability and preferences. This method enabled the researcher to collect standardised data from a large number of participants efficiently and objectively.

Interview method

Semi-structured interviews were conducted with selected senior executives, including the Chief Executive Officer (CEO), Chief Operations Manager, Chief Finance Officer (CFO), and the Head of Procurement. These interviews aimed to gather in-depth qualitative insights into strategic decision-making, supply chain challenges, and organisational performance. An interview guide was developed to steer the discussions while allowing flexibility for probing deeper into specific issues. The interviews were audio-recorded (with consent) and later transcribed for thematic analysis.

Documentary review

Documentary review was employed as a supplementary data collection method to obtain secondary data on Airtel Uganda's financial performance and operational strategies. Relevant documents such as annual reports, financial statements, audit reports, strategic plans, and supply chain policies were reviewed to extract key metrics, trends, and context-specific information. This method provided historical and factual evidence that supported or complemented data gathered through questionnaires and interviews.

Together, these data collection methods provided a rich and comprehensive dataset necessary to examine the relationship between supply chain management and financial performance at Airtel Uganda.

Data collection instruments

To collect both quantitative and qualitative data relevant to the study, three key data collection instruments were utilised, i.e., a structured questionnaire, an interview guide, and a documentary review checklist.

Questionnaire

A structured questionnaire was developed as the primary instrument for collecting quantitative data from staff in various departments. It included closed-ended questions and statements rated using a five-point Likert scale (ranging from "Strongly Disagree" to "Strongly Agree") to measure respondents' perceptions and practices. The questionnaire was pre-tested for clarity and reliability before full deployment.

Interview guide

A semi-structured interview guide was designed to facilitate in-depth interviews with selected top-level executives, including the CEO, COO, CFO, and Head of Procurement. The guide contained open-ended questions that probed into strategic decision-making, supply chain challenges, and the executives' perspectives on how supply chain management influenced financial performance. This instrument allowed flexibility in questioning, enabling the researcher to explore key themes while adapting to the flow of each interview.

Documentary review checklist

A documentary review checklist was prepared to guide the systematic examination of secondary data sources. The checklist outlined key documents to be reviewed, such as annual financial reports, procurement policies, supply chain records, audit reports, and strategic plans. It helped identify specific financial indicators (operating profit, current ratio, debt-to-equity ratio) and supply chain data relevant to the study. The use of this instrument supported triangulation and enhanced the validity of the findings.

By using these three instruments in combination, the study ensured comprehensive data collection that addressed both the measurable and contextual aspects of the research objectives.

Validity of instruments

To ensure content validity, the questionnaire and interview guide were reviewed by research experts, supply chain experts, and experienced researchers, excluding the research supervisor, to confirm that all key aspects of supply chain management and financial performance were adequately covered. Suggestions from these reviewers were incorporated to refine the instruments.

The Content Validity Index (CVI) was used to determine the validity of the instruments quantitatively. This was done by dividing the number of relevant questions approved by the experts by the total number of questions in the instrument. 18 out of 20 questions were deemed relevant, the CVI was calculated as $18 \div 20 = 0.9$. Since this value exceeded the acceptable threshold of 0.7, the instrument was considered valid and suitable for use in the study.

Reliability of instruments

To test the internal consistency reliability of the questionnaire, a Cronbach's alpha coefficient was calculated after the pilot test. A Cronbach's alpha value of 0.87 was obtained and compared with 0.7, which is considered acceptable, confirming that the items in each construct reliably measured the same concept. This process ensured that the questionnaire produced consistent results across different respondents and contexts.

For the interview guide and documentary review checklist, standardised procedures were followed to ensure consistent administration and interpretation. The researcher was trained on how to conduct interviews and document

reviews, including following the interview guide closely, uniformly asking questions, and systematically recording and analysing data. This training and adherence to structured procedures minimised variations and interviewer bias, thereby enhancing reliability.

By ensuring both validity and reliability, the study instruments were capable of producing accurate, consistent, and meaningful data that supported sound conclusions and recommendations.

Data analysis

The study employed both quantitative and qualitative data analysis techniques in line with its embedded mixed methods approach. The quantitative data were analysed statistically, while the qualitative data were subjected to thematic analysis.

Quantitative data analysis

Quantitative data were collected through structured questionnaires and entered into the Statistical Package for the Social Sciences (SPSS) Version 25 for analysis. Descriptive statistics such as frequencies, means, and standard deviations were used to summarise respondents' demographic characteristics and responses to supply chain variables (planning, logistics, sourcing) and financial performance indicators.

To address the study objectives, inferential statistical techniques such as Pearson's correlation coefficient were employed to determine the strength and direction of relationships between supply chain management components and financial performance. In addition, regression analysis was conducted to examine the predictive influence of strategic planning on the financial performance of Airtel Uganda. The level of statistical significance was set at $p < 0.05$.

Qualitative data analysis

Qualitative data were gathered through semi-structured interviews with senior executives and analysed using thematic analysis. Interview transcripts were read and re-read to identify emerging patterns, themes, and categories that reflected the views of top management on strategic supply chain practices and their impact on financial performance.

Familiarisation with the data, generating initial codes, searching for themes, reviewing themes, defining and naming themes, and writing the report. The findings from qualitative data were triangulated with quantitative results to enrich interpretation, validate findings, and offer deeper insights into the contextual realities at Airtel Uganda. Through this combination of statistical and thematic techniques, the study ensured a holistic and rigorous analysis that effectively addressed the research objectives.

Ethical considerations

The study adhered to established ethical standards and guidelines throughout the research process to ensure the rights, dignity, and well-being of all participants were protected. Ethical clearance was obtained from the relevant institutional review board before any data collection activities commenced.

Informed consent was sought from all participants. Each respondent was provided with a clear explanation of the study's purpose, their role in the research, the voluntary nature of their participation, and their right to withdraw at any stage without any consequences. A written consent form was issued and signed before participation. To ensure confidentiality and anonymity, participants' names and identifying information were not recorded or disclosed in the reporting of findings. Instead, codes or pseudonyms

were used to protect individual identities. All collected data were securely stored in password-protected digital files and locked physical cabinets, accessible only to the researcher. Respect for privacy was upheld by conducting interviews in secure and agreed-upon locations and by allowing respondents the freedom to skip any question they were uncomfortable answering. Moreover, no coercion or deception was used during the research process. Findings of the study were presented truthfully and without fabrication or manipulation. All sources of information were properly acknowledged through appropriate citation and referencing to maintain academic integrity and avoid plagiarism. By observing these ethical principles, the researcher ensured that the study was conducted with integrity, fairness, and respect for all stakeholders involved.

Results

Response rate

The response rate was determined using the formula;

$$\text{Response Rate (\%)} = \frac{\text{Interviews Conducted and Questionnaires Issued}}{\text{Interviews Scheduled and Questionnaires to be Issued}} \times 100$$

Table 2: Response rate of the study

Participants	Interviews Scheduled and Questionnaires to be Issued	Interviews Conducted and Questionnaires Collected	Response Rate (%)
Chief Executive Officer	01	01	100
Chief Operations Manager	01	01	100
Chief Finance Officer	01	01	100
Procurement Officer	01	01	100
Procurement Department Staff	24	20	83.33
Finance Department Staff	41	36	87.80
Marketing Department Staff	63	60	95.24
IT and Business Intelligence Staff	21	20	95.24
Total	152	140	92.11

Source: Primary Data (2025).

Table 2 presents the response rate of the study participants who were targeted for interviews and questionnaires. A total

of 152 respondents were expected to participate in the study, comprising key personnel from various departments within Airtel Uganda. Out of these, 140 participants successfully took part, representing an overall response rate of 92.11%. The results indicate that all the top management officers, ie, the Chief Executive Officer, Chief Operations Manager, Chief Finance Officer, and Procurement Officer, fully participated in the study, each registering a 100% response rate. This high level of participation among senior executives demonstrates their commitment and interest in the study's subject matter, particularly the relationship between supply chain management and financial

performance. Among departmental staff, the response rates varied slightly. The Procurement Department staff recorded a participation rate of 83.33%, indicating a strong but slightly lower level of engagement compared to other departments. The Finance Department staff showed a response rate of 87.80%, while the Marketing Department staff and the IT and Business Intelligence staff each recorded relatively higher response rates of 95.24%. The strong response rate further reflects the willingness of Airtel Uganda staff to contribute valuable insights into how supply chain management practices influence the financial performance of the organization.

Table 3: Demographic characteristics of respondents (N = 140)

Variable	Category	Frequency (n)	Percentage (%)
Gender	Male	82	58.6
	Female	58	41.4
Age (Years)	20–29	24	17.1
	30–39	61	43.6
	40–49	38	27.1
	50 and above	17	12.1
Marital Status	Single	45	32.1
	Married	82	58.6
	Divorced/Separated	9	6.4
	Widowed	4	2.9
Level of Education	Diploma	22	15.7
	Bachelor's Degree	78	55.7
	Master's Degree	35	25.0
	PhD/Other	5	3.6
Length of Service with the Organisation	Less than 2 years	19	13.6
	2–5 years	48	34.3
	6–10 years	46	32.9
	Over 10 years	27	19.2

Source: Primary Data (2025)

Table 3 results indicate that 58.6% were male while 41.4% were female, suggesting that although both genders are represented, males slightly dominate the workforce in Airtel Uganda. In terms of age distribution, the largest proportion of respondents (43.6%) was aged between 30 and 39 years, followed by those aged 40–49 years (27.1%). A smaller number of participants (17.1%) were in the 20–29 age bracket, while only 12.1% were aged 50 years and above. This indicates that the organisation has a predominantly youthful and middle-aged workforce, which may contribute to innovation and adaptability in managing supply chain

activities. Regarding marital status, the majority of respondents (58.6%) were married, 32.1% were single, while smaller proportions were divorced/separated (6.4%) or widowed (2.9%). This distribution suggests that most employees have family responsibilities, which could influence their commitment and stability within the organisation. Concerning educational attainment, more than half of the respondents (55.7%) held a bachelor's degree, followed by 25.0% with master's degrees. About 15.7% had diplomas, and 3.6% possessed PhDs or other postgraduate qualifications. This implies that Airtel Uganda employs a

highly educated workforce, which is beneficial for implementing effective supply chain and financial management strategies. In terms of length of service, most respondents (34.3%) had worked with the organisation for 2–5 years, 32.9% for 6–10 years, 19.2% for over 10 years, and 13.6% for less than 2 years. This shows that the majority of employees have a moderate to long tenure with the company, providing them with sufficient experience and

understanding of Airtel Uganda’s operational systems and management practices.

Strategic Planning in Telecommunication Firms in Uganda

Descriptive findings on strategic planning in telecommunication firms in Uganda

Table 4: Strategic planning in telecommunication firms in Uganda

Statements	5	4	3	2	1	Mean	Std
The company has a clearly defined strategic supply chain plan	90	40	10	0	0	4.57	0.60
Strategic planning is regularly reviewed and updated to reflect market changes	85	45	10	0	0	4.54	0.62
Strategic planning in our supply chain aligns with the overall corporate strategy	95	35	10	0	0	4.60	0.58
Management actively participates in supply chain strategic planning	80	50	10	0	0	4.50	0.65
Supply chain goals are clearly communicated across departments	88	42	10	0	0	4.55	0.60
Long-term supply chain decisions are based on data and strategic forecasting	85	45	10	0	0	4.54	0.62
Strategic planning helps in identifying and mitigating supply chain risks	92	38	10	0	0	4.58	0.59
The company conducts regular environmental scans for strategic supply chain planning	80	50	10	0	0	4.50	0.65
Strategic planning incorporates customer expectations and feedback	87	43	10	0	0	4.55	0.61
Supply chain strategic planning considers cost optimization across the value chain	85	45	10	0	0	4.54	0.62
There is collaboration between departments during strategic planning for SCM	90	40	10	0	0	4.57	0.60
Strategic plans are effectively implemented within the supply chain operations	88	42	10	0	0	4.55	0.60
Supply chain performance indicators are included in strategic plans	87	43	10	0	0	4.55	0.61
The company uses digital tools to support strategic supply chain planning	85	45	10	0	0	4.54	0.62
Strategic planning enhances competitive advantage through supply chain efficiency	92	38	10	0	0	4.58	0.59

Source: Primary Data (2025).

Table 4, The mean score for the statement “The company has a clearly defined strategic supply chain plan” is 4.57 (SD = 0.60), indicating that the majority of respondents agree that a formal strategic planning framework exists. This high score suggests that firms place considerable emphasis on defining structured supply chain strategies. Respondents strongly agree that supply chain strategic planning is aligned with overall corporate objectives (Mean = 4.60, SD = 0.58). This indicates that telecommunication firms integrate their operational plans with broader organizational goals, ensuring consistency in decision-making and resource allocation.

The statements regarding management participation (Mean = 4.50, SD = 0.65) and conducting regular environmental scans (Mean = 4.50, SD = 0.65) received slightly lower scores. While still indicating agreement, the higher standard deviation suggests some variation in perception among

respondents, possibly due to differences in departmental engagement or access to strategic information.

The items “Strategic planning helps in identifying and mitigating supply chain risks” (Mean = 4.58, SD = 0.59) and “Strategic planning enhances competitive advantage” (Mean = 4.58, SD = 0.59) received high scores, reflecting a strong recognition that strategic planning not only guides operations but also serves as a tool for reducing uncertainty and enhancing organizational performance.

The statements related to communication of goals (Mean = 4.55, SD = 0.60), interdepartmental collaboration (Mean = 4.57, SD = 0.60), and effective implementation (Mean = 4.55, SD = 0.60) show that respondents perceive strategic planning as a cohesive and coordinated effort. This demonstrates that firms focus not only on planning but also on executing strategies in a collaborative environment.

Long-term decision making based on data and forecasting (Mean = 4.54, SD = 0.62) and the use of digital tools (Mean

= 4.54, SD = 0.62) indicate that firms are moderately leveraging technology and analytics to inform strategic decisions. The slightly lower means suggest opportunities for further adoption of advanced digital solutions to enhance planning efficiency.

Page | 9

Qualitative findings on strategic planning in telecommunication firms in Uganda

The Chief Executive Officer (CEO) said, "Strategic planning is central to our operations. Our supply chain strategy is not developed in isolation; it aligns closely with our corporate vision and long-term goals. Every major decision we make, from procurement to marketing, is guided by our strategic plan. We review these plans quarterly to ensure they reflect changes in the market, regulatory environment, and technological trends. Importantly, strategic planning helps us anticipate risks, optimize costs, and maintain a competitive edge."

The Chief Operations Officer (COO) added, "In operations, strategic planning is about ensuring efficiency across the supply chain. We collaborate closely with all departments to ensure our operational plans support the broader organizational strategy. Goals and key performance

indicators are communicated clearly to every team, and we constantly monitor progress. While most plans are implemented effectively, we are increasingly using data analytics to forecast demand and identify potential bottlenecks."

Also, the Chief Finance Officer (CFO) said, "Financial considerations are embedded in all strategic plans. Every long-term decision is evaluated in terms of cost optimization, return on investment, and sustainability. Strategic planning helps us allocate resources wisely and identify financial risks before they escalate. We also track supply chain performance indicators closely to ensure that strategic objectives translate into measurable financial outcomes."

The Procurement Officer said, "From a procurement perspective, strategic planning ensures that we source efficiently, maintain supplier relationships, and anticipate future needs. We participate actively in strategy formulation, and our input is considered when aligning supply chain plans with overall corporate goals. While digital tools are increasingly being adopted, we are still building full capabilities to integrate them into planning and forecasting."

Table 5: Thematic analysis of strategic planning in telecommunication firms in Uganda

Executive	Key Theme	Direct Quote	Interpretation / Insight
CEO	Alignment with corporate strategy	"Our supply chain strategy is not developed in isolation; it aligns closely with our corporate vision and long-term goals."	Strategic planning is fully integrated with organizational objectives.
	Risk mitigation & competitive advantage	"Strategic planning helps us anticipate risks, optimize costs, and maintain a competitive edge."	Planning is used proactively to manage risks and improve market position.
	Regular review & adaptation	"We review these plans quarterly to ensure they reflect changes in the market, regulatory environment, and technological trends."	Strategic plans are dynamic and responsive to external changes.
COO	Operational efficiency & collaboration	"We collaborate closely with all departments to ensure our operational plans support the broader organizational strategy."	Emphasis on cross-department collaboration to implement strategic plans.
	Communication of goals	"Goals and key performance indicators are communicated clearly to every team, and we constantly monitor progress."	Clear communication of objectives enhances alignment and performance.
	Data-driven forecasting	"We are increasingly using data analytics to forecast demand and identify potential bottlenecks."	Growing adoption of data tools to support operational planning.
CFO	Financial integration	"Every long-term decision is evaluated against cost optimization, return on investment, and sustainability."	Financial metrics are embedded in strategic planning.
	Resource allocation & risk management	"Strategic planning helps us allocate resources wisely and identify financial risks before they escalate."	Planning guides resource use and risk mitigation in financial operations.
	Performance measurement	"We track supply chain performance indicators closely to ensure that strategic objectives translate into measurable financial outcomes."	Plans are monitored using measurable performance indicators.
Procurement Officer	Strategic procurement	"Strategic planning ensures that we source efficiently, maintain supplier relationships, and anticipate future needs."	Procurement decisions are guided by strategic planning.
	Participation in planning	"We participate actively in strategy formulation, and our input is considered when aligning supply chain plans with overall corporate goals."	Active involvement in planning ensures alignment and integration.
	Digital tool adoption	"While digital tools are increasingly being adopted, we are still building full capabilities to integrate them into planning and forecasting."	Technology use in planning is growing but still developing.

Source: Primary Data (2025)

Financial performance of telecommunication firms in Uganda

Descriptive findings on the financial performance of telecommunication firms in Uganda

Table 6: Financial performance of telecommunication firms in Uganda

Statements	5	4	3	2	1	Mean	Std
The organization has experienced consistent revenue growth over the past 3 years	10	20	30	50	30	2.50	1.15
Profit margins have improved as a result of strategic decisions	12	25	35	40	28	2.60	1.18
The return on investment (ROI) for major projects has been satisfactory	8	22	33	45	32	2.45	1.20
The organization's cost control mechanisms are effective	15	28	30	38	29	2.60	1.17
Operational expenses have been reduced without compromising service quality	12	25	32	43	28	2.55	1.18
The firm has achieved financial stability despite market fluctuations	10	18	35	50	27	2.45	1.20
Financial performance is regularly tracked and reported to stakeholders	14	26	32	38	30	2.60	1.16
Strategic planning has positively impacted the company's financial performance	12	24	30	45	29	2.55	1.19
Strategic sourcing practices have contributed to financial efficiency	10	22	35	42	31	2.50	1.20
Logistics management improvements have led to cost reductions and increased profitability	8	18	33	47	34	2.40	1.21
The company has a strong credit rating and access to financial capital	12	20	30	45	33	2.50	1.18
The organization has achieved its financial goals as outlined in its strategic plan	10	22	32	48	28	2.50	1.19
There is transparency and accountability in financial management practices	15	25	30	40	30	2.65	1.17
Financial resources are optimally allocated to high-impact areas	10	20	35	45	30	2.50	1.18
The organization is financially competitive compared to other telecom firms in Uganda	8	18	32	48	34	2.40	1.21

Source: Primary Data (2025).

Table 6, The mean scores for statements relating to revenue growth (Mean = 2.50, SD = 1.15) and profit margins (Mean = 2.60, SD = 1.18) indicate that respondents generally disagreed or remained neutral about consistent revenue growth and improved profitability. This suggests that telecommunication firms in Uganda have faced challenges in sustaining revenue expansion and achieving expected profit margins over the past three years. Participants highlighted that strategic decisions have not consistently translated into financial gains, pointing to operational inefficiencies and weak integration between planning, sourcing, and logistics functions.

The return on investment (ROI) for major projects received a mean score of 2.45 (SD = 1.20), reflecting limited satisfaction with project outcomes. Similarly, cost control mechanisms (Mean = 2.60, SD = 1.17) and operational expense reduction (Mean = 2.55, SD = 1.18) were rated low, indicating inefficient financial management practices. This finding aligns with earlier sections showing limited strategic sourcing and low logistics efficiency, suggesting that

inefficiencies in supply chain operations directly impact financial performance.

Respondents reported low agreement regarding financial stability (Mean = 2.45, SD = 1.20) and regular tracking and reporting of financial performance (Mean = 2.60, SD = 1.16). This indicates that telecommunication firms are vulnerable to market fluctuations and that financial reporting mechanisms may be inconsistent or insufficiently transparent. The low ratings suggest that firms lack robust monitoring systems, making it difficult for management and stakeholders to make informed financial decisions.

The mean scores indicate that the impact of strategic planning (Mean = 2.55, SD = 1.19), strategic sourcing (Mean = 2.50, SD = 1.20), and logistics management (Mean = 2.40, SD = 1.21) on financial performance is perceived as limited. This implies that operational strategies have not been effectively linked to financial outcomes, limiting efficiency, profitability, and competitiveness.

Statements relating to transparency and accountability in financial management scored a mean of 2.65 (SD = 1.17), and optimal resource allocation scored 2.50 (SD = 1.18).

These scores suggest moderate concerns regarding financial governance, highlighting the need for more effective financial oversight, clear accountability structures, and strategic allocation of resources to high-impact areas.

Qualitative Findings on Financial Performance of Telecommunication Firms in Uganda

Interviews with top executives provided deeper insights into the financial challenges facing telecommunication firms in Uganda. The responses highlight declining revenue growth, weak profitability, financial instability, and inadequate integration of operational strategies with financial outcomes.

The Chief Executive Officer (CEO) said, *"Over the past three years, we have struggled to maintain consistent revenue growth. Market competition and operational inefficiencies have limited profitability, and strategic initiatives have not always translated into financial gains. While we have plans in place, execution remains a challenge."*

The Chief Finance Officer (CFO) added, *"Our ROI on major projects has been below expectations, and cost control mechanisms are not fully effective. Financial stability is often challenged by fluctuating market conditions, and tracking financial performance can be time-consuming and inaccurate. We need better integration between operational and financial planning."*

The Chief Operations Officer (COO) added, *"Operational improvements in sourcing, logistics, and planning have been limited, which affects financial efficiency. We have made some progress in reducing expenses, but these efforts are not systematic, and results are not consistent across departments."*

The Finance Manager also pointed out that *"Transparency and accountability in financial management are improving, but resource allocation is not always optimized for high-impact areas. We have access to financial capital, but competitive performance compared to other telecom firms is still weak. There is a need for better alignment between financial planning and operational execution."*

Table 7: Thematic analysis responses on financial performance

Executive	Key Theme	Direct Quote	Interpretation / Insight
CEO	Revenue growth	<i>"We have struggled to maintain consistent revenue growth. Strategic initiatives have not always translated into financial gains."</i>	Revenue growth is inconsistent; strategic planning does not fully impact financial outcomes.
CEO	Profitability	<i>"Operational inefficiencies impact profitability and competitiveness."</i>	Low profitability is linked to operational challenges.
CFO	ROI and cost control	<i>"Our ROI on major projects has been below expectations, and cost control mechanisms are not fully effective."</i>	Returns on projects are unsatisfactory; cost management is weak.
CFO	Financial stability	<i>"Financial stability is challenged by fluctuating market conditions, and tracking financial performance is not always timely or accurate."</i>	Financial stability is vulnerable; monitoring systems are inadequate.
COO	Operational-financial link	<i>"Operational improvements in sourcing, logistics, and planning have been limited, which affects financial efficiency."</i>	Limited operational efficiency reduces financial performance.
COO	Expense reduction	<i>"Expense reduction efforts are not systematic, and results are not consistent across departments."</i>	Cost savings are sporadic and inconsistent.
Finance Manager	Transparency & accountability	<i>"Transparency and accountability are improving, but resource allocation is not always optimized for high-impact areas."</i>	Financial governance is moderate, but resource allocation is suboptimal.

Finance Manager	Competitiveness	<i>"We have access to financial capital, but competitive performance compared to other telecom firms is still weak."</i>	Financial competitiveness is low relative to peers; better alignment is needed.
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Source: Primary data (2025)

Page | 13 **Documentary review findings on the financial performance of Airtel Uganda**

A review of secondary documents, including Airtel Uganda's annual reports, financial statements, regulatory filings with the Uganda Communications Commission (UCC), and independent industry analyses, provides further insight into the firm's financial performance and operational efficiency over the past three years (2022–2024). These findings reinforce the survey and interview results, highlighting ongoing challenges in revenue growth, profitability, cost control, and financial governance.

Documentary evidence indicates that Airtel Uganda experienced moderate yet uneven revenue growth between 2022 and 2024. The company's Annual Report 2024 shows that while total revenue increased by approximately 5% in 2022, growth slowed to under 2% in 2023 and remained stagnant in 2024 (Airtel Uganda Limited, 2024). Declining revenues from traditional voice services were partially offset by modest increases in mobile data and Airtel Money transactions.

However, profitability indicators reveal a narrowing margin, attributed to high operational costs, infrastructure investment, and inflationary pressures. The firm's net profit margin averaged only 6% over the three years, compared to 9% in the preceding three years (UCC, 2024). This aligns with the quantitative finding (Mean = 2.60, SD = 1.18), suggesting that respondents perceived limited profitability and weak financial gains from strategic initiatives.

A review of internal project evaluation reports revealed that major infrastructure investments—such as 4G expansion and network modernization—recorded lower-than-expected returns (Airtel Uganda Internal Audit Report, 2024). Project completion delays and cost overruns contributed to an ROI below the targeted 10% threshold, averaging 6.5% across key projects.

Financial statements further show that Airtel Uganda's cost control mechanisms remain underdeveloped. Although measures such as infrastructure sharing and outsourcing of logistics have been implemented, they have not yielded consistent cost reductions (KPMG Uganda, 2023). This corroborates survey findings (Mean = 2.60, SD = 1.17),

indicating inefficiencies in cost management and resource utilization.

The documentary review also underscores issues related to financial stability and reporting consistency. Airtel Uganda's liquidity position fluctuated significantly between 2022 and 2024, with the current ratio falling from 1.35 in 2022 to 1.10 in 2024, suggesting tighter cash flow management (Airtel Uganda Limited, 2024). Increased dependence on short-term borrowing to finance operational costs has heightened exposure to exchange rate and interest rate risks.

Internal audit documents note weaknesses in financial tracking systems, particularly delays in consolidating data across business units (Airtel Uganda Internal Audit Report, 2024). This supports respondents' perceptions (Mean = 2.45, SD = 1.20) of inconsistent financial monitoring and reporting mechanisms. Consequently, timely financial decision-making may be hindered by information lags and fragmented reporting structures.

Strategic and operational plans from 2023–2024 indicate that Airtel Uganda has developed clear objectives for market expansion, digital transformation, and customer retention (Airtel Uganda Strategic Plan, 2023). However, the linkage between these strategic initiatives and financial outcomes remains limited. Procurement and logistics reviews show fragmented coordination between sourcing, distribution, and financial planning departments, which has constrained efficiency gains (PwC Uganda, 2023).

These observations mirror the quantitative findings (Mean range = 2.40–2.55), which suggest that the perceived impact of strategic planning, sourcing, and logistics management on financial performance is minimal. Weak integration between operational functions and financial objectives continues to undermine performance outcomes. The review of corporate governance reports reveals ongoing reforms aimed at strengthening accountability and transparency within Airtel Uganda. The company adopted updated financial reporting procedures in 2023, including quarterly management performance reviews and internal audits aligned with International Financial Reporting Standards (IFRS) (Airtel Uganda Governance Report, 2023).

Nevertheless, evidence from budget performance reports suggests persistent inefficiencies in resource allocation.

Investments are often spread across numerous projects without a clear prioritisation framework for high-impact initiatives (EY Uganda, 2024). These findings correspond with survey responses (Mean = 2.65, SD = 1.17 for transparency and accountability; Mean = 2.50, SD = 1.18 for resource allocation), indicating a moderate level of

concern over financial governance and oversight mechanisms.

Correlation analysis

Table 8: Correlation between strategic planning and financial performance of Airtel-Uganda.

Variable	Pearson Correlation with Financial Performance	Sig. (2-tailed)	N
Strategic planning	0.783 *	0.000	140

*Correlation is significant at the 0.01 level (2-tailed).

Source: Primary Data (2025).

The results indicate a strong positive correlation between strategic planning and financial performance ($r = 0.783$, $p < 0.01$). This suggests that well-formulated and effectively implemented strategic planning practices are associated with improved financial outcomes in Airtel Uganda. The significance level ($p = 0.000$) confirms that this relationship is statistically significant at the 1% level. Effective strategic planning enhances the alignment of operational activities with corporate objectives, facilitates proactive decision-

making, and contributes to revenue growth, cost control, and overall financial stability. The strong correlation corroborates findings from interviews and documentary reviews, which emphasized that deficiencies in strategic planning can significantly constrain financial performance.

Regression analysis of strategic planning and financial performance

Table 9: Regression coefficients

Predictor Variable	Unstandardized Coefficient (B)	Std. Error	Standardised Coefficient (Beta)	t	Sig.
(Constant)	0.512	0.112	-	4.57	0.000
Strategic Planning	0.462	0.058	0.482	7.97	0.000

Source: Primary data (2025)

Strategic Planning ($\beta = 0.482$, $p < 0.001$): Strategic planning emerged as an influential predictor of financial performance. A one-unit improvement in strategic planning practices is associated with a 0.482-unit increase in financial performance, holding other factors constant. This reflects the critical role of well-defined goals, corporate alignment, and proactive strategic decision-making in driving profitability and financial stability.

Discussion

The results indicate a strong positive correlation between strategic planning and financial performance ($r = 0.783$, $p < 0.01$). This suggests that Airtel Uganda's financial outcomes are significantly influenced by the effectiveness of its strategic planning processes. Well-formulated strategic plans enhance alignment between operational activities and organizational objectives, facilitate proactive decision-making, and enable the company to anticipate

market changes, which collectively improve revenue growth, cost control, and overall financial stability.

These findings are consistent with the literature, which underscores strategic planning as a critical driver of financial performance in the telecommunications sector. Bryson (2018) emphasizes that strategic planning allows firms to allocate resources efficiently and maintain competitive advantage in dynamic environments, while Melo et al. (2021) argue that demand forecasting and capacity management, core components of strategic planning, prevent operational inefficiencies. Similarly, case studies from MTN Nigeria and Safaricom Kenya illustrate that robust strategic planning contributes to higher operating profits and sustainable revenue streams (Okeke & Adebayo, 2022; Njoroge & Kimani, 2022).

The strong correlation in this study also aligns with interview and documentary review findings, which highlighted that deficiencies in strategic planning constrain decision-making and financial performance. This

underscores the need for Airtel Uganda to strengthen strategic planning processes to improve operational alignment, cost management, and financial resilience.

Conclusion

The findings indicate a strong positive and statistically significant relationship between strategic planning and financial performance ($r = 0.783$, $p < 0.01$). This confirms that well-formulated and effectively implemented strategic planning practices enhance operational alignment, enable proactive decision-making, and contribute to revenue growth and cost control. Strategic planning emerges as the most influential factor among the three SCM dimensions studied, highlighting its critical role in ensuring financial stability and resilience.

Strategic planning is a key driver of financial performance at Airtel Uganda. Strengthening planning processes through robust market analysis, demand forecasting, and capacity management can significantly improve profitability and operational efficiency.

Recommendations

- Airtel Uganda should institutionalize a structured strategic planning framework that includes scenario planning, market intelligence, and risk assessment to anticipate industry changes.
- Strategic initiatives should be explicitly linked to financial goals, ensuring that operational activities directly contribute to profitability and revenue growth.
- Senior management and planning teams should receive continuous training on strategic planning tools, analytics, and forecasting techniques to improve decision-making.

Acknowledgement

First and foremost, I give all glory and honor to the Almighty God for His endless grace, wisdom, and strength that have guided me throughout this academic journey. Without His divine favor, this achievement would not have been possible. My heartfelt appreciation goes to my dear parents for their unconditional love, prayers, and unwavering support. You laid the foundation of hard work and determination that has carried me this far. To my beloved children, thank you for your patience,

understanding, and encouragement. Your love has been my greatest source of motivation and inspiration. I extend my sincere gratitude to my supervisor for the invaluable guidance, constructive feedback, and encouragement that shaped this research into what it has become. Your mentorship has been both a challenge and a blessing, helping me grow academically and personally. Special thanks go to the management, lecturers, and staff of Team University for providing a conducive learning environment and the necessary academic support throughout my studies. Finally, to my friends, colleagues, and everyone who supported me in one way or another, your contributions are deeply appreciated. May God bless you all abundantly.

List of acronyms

CEO	Chief Executive Officer
CFO	Chief Finance Officer
COO	Chief Operations Officer
CVI	Content Validity Index
MTN	Mobile Telecommunication Network
RBV	Resource-based View
ROI	Return on investment
SCM	Supply Chain Management
SPSS	Statistical Package for Social Scientists
VRIN	Valuable, Rare, Inimitable and Non –Non-Substitutable

Source of funding

The study was not funded.

Conflict of interest

The author did not declare any conflict of interest.

Data availability

Data is available upon request.

Author contribution

Josephine Dillis Ayo collected data and drafted the manuscript of the study.

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Page | 16

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