

**CASH MANAGEMENT AND PROFITABILITY IN SELECTED SMEs IN JUBA,  
SOUTH SUDAN.**

**BY**

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**A RESEARCH REPORT SUBMITTED TO THE COLLEGE OF ECONOMICS AND  
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## Abstract

*The study was about cash management and profitability in selected SMEs in Juba, South Sudan. The study was based on the following three objectives; (i) to determine the effect of cash disbursements on profitability of SMEs in Juba, South Sudan; (ii) to establish the effect of cash collection on profitability of SMEs in Juba, South Sudan and (iii) to establish the effect of cash control on profitability of SMEs in Juba, South Sudan. The study employed a cross-sectional survey research design and methodology used was both qualitative and quantitative. The study used a total population of 200 and a sample size of 133 respondents specifically managers or owners from selected SMEs were considered for the study whereas the questionnaire was used as the research instrument. Descriptive statistics used in this study included means, standard deviation and linear regression analysis. The findings revealed that; cash disbursements positively and significantly affect profitability of SMEs in Juba, South Sudan ( $R\text{-squared}=0.355$ ,  $\beta=0.551$ ,  $\text{Sig}=0.000$ ), cash collection positively and significantly affects profitability of SMEs in Juba, South Sudan ( $R\text{-squared}=0.691$ ,  $\beta=0.046$ ,  $\text{Sig}=0.000$ ) and finally cash control positively and significantly affects profitability of SMEs in Juba, South Sudan ( $R\text{-squared}=0.492$ ,  $\beta=0.685$ ,  $\text{Sig}=0.000$ ). The study concluded that; cash disbursements have a positive significant effect on profitability of SMEs in Juba, South Sudan; cash collection has a positive significant effect on profitability of SMEs in Juba, South Sudan whereas cash control has a positive significant effect on profitability of SMEs in Juba, South Sudan. The study recommended that; SMEs should develop a good system to ensure their bills or coins, a cheque, or an electronic funds transfer are disbursed very well; disburse funds through the payroll system and through petty cash to avoid costs; put in place different collection methods to enable collect cash toward their profitability; SMEs' management should be careful in evaluating each cash collection location and ensuring appropriate controls are present; SMEs' management should put in place control measures such as different personnel to handle different transactions to control their cash system, training their staff at all-time to handle cash and management must regularly provide timely feedback to rectify any financial challenges at hand. In regard to the contribution to knowledge; the study evaluated the cash management theories provided by previous researchers by using empirical evidence from an emerging situation, the study also indicated relationships between variables used to measure cash management and profitability of SMEs.*