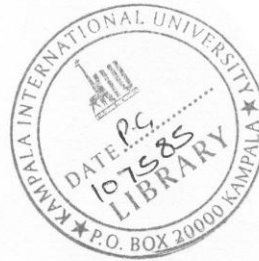


**CASH MANAGEMENT AND PROFITABILITY OF SELECTED BANKS IN
MOGADSHU, SOMALIA**

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**A THESIS REPORT SUBMITTED TO COLLEGE OF ECONOMICS AND
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ABSTRACT

The study was set to investigate the effect of cash management on profitability of selected banks in Mogadishu somalia. The study based on three objectives that included establishing the effect of accounts receivables management, liquidity management and cash disbursements on Profitability. The study that adopted a descriptive design based on the sample of 112 employees of the banks of Salaam, Dahabshil and Amal. The employees provided information using the research questionnaire. The research findings were that on the first objective, accounts receivables management had 0.8% effect on profitability of selected banks in Mogadishu somalia on the second objective liquidity management accounted for profitability by 2.3% effect and the third objective cash disbursements had 12.4% % effect on profitability of selected banks in Mogadishu somalia. The researcher therefore concluded that accounts receivables management had a positive but not significant effect between the accounts receivables and profitability. Liquidity management have a positive but not significant effect on the profitability of banks and disbursements affect profitability of selected banks in Mogadishu somalia poor disbursements and a positive but not significant effect. The researcher recommends that there is need to enhance the management of the receivables through establishing stringent policy, establishing strong motivation for the debtors especially in providing the means through discounts. The cash disbursements need to be issued on the designed policy, liquidity management trends need to be enhanced through evaluating the means of cash issued format and classification of expenses and their eligibility for cash disbursements, there is need for ensuring more accurate budget planning for the projects and improve the policy on the management of the liquidity. Aspects also presented are intended to attain a more profitable of banks in Mogadishu somalia.