Agency Banking and Financial Performance of Commercial Banks in Uganda. A Case Study of Equity Bank in Kawempe Division

Gumoshabe Saviour[1,] Rutaro Abas[2]

1 A Master of Business Administration Student, Team University (TU), Kampala, Uganda
E-mail: saviourgumoshabe@gmail.com
2 Lecturer, School of Graduate Studies and Research, Team University (TU), Kampala, Uganda
E-mail: rutaro1982@gmail.com

Abstract: This research studied the effect of agency banking on financial performance of equity bank in Uganda. In obtaining the information regarding the current status of the phenomenon descriptive research design was used with respect to the variables. The study targeted Equity bank in Kawempe Division. Secondary data was used in obtaining data from bank supervision reports, audited financial statements of Equity bank. Data analysis focused on the agency banking and financial performance indicators for the period of 3years. Research findings established that agent charges, transaction volume and agent commission have a statistical significant effect on financial performance of Equity Bank in Kawempe Division. The study findings established that there is a relationship between transaction volume and agent charges through agency deposits and withdrawals and financial performance of Equity Bank. The research findings revealed that 40% of volume of transactions by agents was for withdrawals, 36%for cash deposits, 16% was for account opening, 6%was for fund transfer and 2%for loan payment. From the findings, the study concluded that agency transaction volume has a significant effect on financial performance of Equity Bank. The findings showed a significant positive relationship between agent commission and banking performance of Equity. The study concluded that agent commission and agent charges have a significant effect on the financial performance of Equity Bank in Kawempe Division. The study recommended that Equity Bank should adopt a cost friendly and effective agency banking systems in order to attract more customers and agents to increase bank services accessibility.

Keywords— agency; banking; financial; performance;

CHAPTER ONE

INTRODUCTION

BACKGROUND OF THE STUDY
Globally commercial banks motive over the past years has been to entrench banking deepening access to banking services to the local person in rural areas. Further, the motive has been to enable retailers or postal outlets contracted by a banking institution or a agency network operator to process clients' transactions(Atandi, 2013). Siddiquie (2017) posits that most developing countries citizens are engaged in agriculture which accounts for 90% of GDP contribution. Authorities must find better alternatives of engaging and including such people in the development of such countries by embracing agent banking. With improved technology, the banking sector has been provided with an opportunity to exploit the less developed areas through using agent banking. In Africa, it has highly contributed in the enhancement of banking innovations in the banking sector, which include Automated Teller Machines, credit cards, agency banking, internet banking, and the recent introduction of agency banking Technological advancement has facilitated the improvement of living standards among individuals by ensuring easy accessibility of banking services at minimal costs (Oburu, 2018).

In Uganda, the Parliament enacted the Banking Institutions (Amendment) Act in 2016 which provides commercial banks with power to engage in agent banking. The law provides regulations that enable banking to engage into the Digital Financing space and drive banking inclusion and increase access to banking/banking services to a range of under-served and unbanked population segments(Uganda Bankers Association, 2020). According to Khisa (2017) Banks in Uganda through their umbrella body Uganda Bankers Association (UBA) have approached Agent Banking through a shared interoperable technology platform and agent network management framework to harness the benefits that accrue from convergence. The approach is meant to enable all agents provide agent banking services to customers of all bank as the individual banking institutions continue to drive the recruitment of customers and marketing of their own products and services.

Monicah (2016) in her study focused on bank size, volume of transactions and number of agents. This left a gap of other factors such as agent withdraw charges, agent deposit charges and agent commission, which the researcher intends to fill. Further, she only used return on assets as the only indicator of banking performance of commercial banks. This left a gap of other indicators of banking performance, which the researcher intends to use. The study was also carried out in Uganda hence prompting the researcher to carry out an empirical study in Uganda. Further, over the years, the selected commercial

banks have been gradually declining in making profits despite adopting agency banking to reduce operational costs and increase customer base (Kyamutetera, 2020). Bank of Uganda Report 2020 (2020) stated that there was decline in performance of commercial banks generally in relation to agency banking for two consecutive years with Equity-Wandegeya branch at 4% decline in profits and Kawempe branch at 3% decline. The commercial banks have faced a challenge of network failure in a bid to serve agent-banking customers. Further the cost of technology to ensure safety of customers balances and servicing agent machines has also reduced the return on Investment of commercial banks especially equity bank. This study is therefore aimed at investigating the effect of agency banking on the banking performance of selected commercial banks in Uganda.

STATEMENT OF THE PROBLEM
With advancement in technology, specifically agency banking, commercial banks look for opportunities to increase the access to bank services at a relatively low cost of operation(Uganda Bankers Association, 2020). Agency banking as a new innovation has been aiming at boosting the commercial banks' performance in developing countries. In January 2016, the Ugandan parliament passed an amendment to the banking institutions Act of 2004. This act allowed banks to offer agency banking services in the country. New entrants and banks with lower footprint need not to invest in slow – to – scale brick and mortar branch networks. Instead, they can focus on capturing market share based on better products, customer experience and price, while leveraging the (operationally) low cost agent networks. As such, banks in Uganda have adopted the agency banking model, although they are at different stages. Through agency banking, it is important to provide banking service providers, primarily banks, with insights into consumer segments they may want to target with agency banking services and related products. Besides, Argamo (2015), states that, in Uganda agency banking has enabled banks to increase profits and spread out banking services. Achievements stories have been witnessed in Uganda, Columbia, India and Brazil among others.

As a result of competition, of the banking sector in Uganda presently, Equity bank is among the commercial banks in Uganda that have adopted agency banking dedicated to seize the opportunity of cost reduction and ease of access caused by the practice of agency banking. Despite the increased use of agency banking and industry profitability in 2019, industry losses also increased from UGX39.4 billion to UGX57.5 billion as the number of loss-making banks increased from five to seven(Bank of Uganda report,2019) . Further, Commercial Bank of Africa (CBA) and Tropical Bank registered particularly big losses of UGX10.5 billion and UGX24 billion respectively(Kyamutetera, 2020). According to Equity Bank Report (2019), although there was 0.12% increase in average assets of the commercial bank, there was also a decline in net interest margin of 0.33% in 2019 and 4.21% decline on the return on tangible assets in 2019. Further

the report revealed an insignificant market penetration by bank at 3% despite the use of Agency banking to boost the market share. Commercial banks can improve their profitability by adopting cost friendly and effective agency banking systems in order to attract more customers and agents hence bank accessibility. However, despite its continued implementation by various banks in Uganda including Equity bank, there was no empirical evidence that has shown how agency banking influences the performance of commercial banks in Uganda. For banks to invest in agency banking, they need to know how it influences performance and the expected challenges and how they can be mitigated. The study therefore sought to show the effect of agency banking has on the banking performance of Ugandan commercial banks using Equity bank Kawempe Division as a case study.

GENERAL OBJECTIVE
The purpose of the study was to examine the relationship between agency banking and banking performance of commercial banks in Uganda, using Equity bank in Kawempe Division as the case study.

SPECIFIC OBJECTIVES
   i) To examine the relationship between agent commission and the banking performance of commercial banks in Uganda.
   ii) To examine the relationship between agent charges and the banking performance of commercial banks in Uganda.
   iii) To examine the relationship between transaction volume and the banking performance of commercial banks in Uganda.

RESEARCH METHODOLOGY

RESEARCH DESIGN
The study used a descriptive, correlational and cross sectional research design. Further, the study will be both qualitative and quantitave hence a mixed research design. The study was descriptive in nature because the researcher used frequency table, graphs and pie charts to describe the findings of the study. The research design was also correlational because the researcher established the relationship between study variables. The study was also cross-sectional because it was for a short period of time considering the fact that the researcher is a student with limited resources to make a follow ups on the study. Lastly the study was both qualitative and quantitative in nature because the researcher used both words and figures to explain the findings of the study(Tumwine, Mbabazize, Shukla, & Cooperative Studies, 2015).

POPULATION OF THE STUDY
According to Uganda Bankers Association (UBA) 2020, Equity bank has 34 banking agents in Kawempe Division, Kampala District. According to the Human Resource Report (2019) the commercial bank has 22 staff in the two branches

with in Kawempe Division. Thus the study population for this study was 56 respondents.

SAMPLE SIZE OF THE STUDY
The study was guided by Kreijcie and Morgan (1970) sampling table at 5% level of confidence in determining the sample size, and given a target population of 56 respondents, a sample size of 52 respondents was selected that comprised of 21 staff and 31 agents was selected using both purposive sampling technique and simple random sampling to select agents and staff to participate in this study.

DATA SOURCES AND COLLECTION METHODS
The researcher collected data from both primary and secondary sources for this study. Primary data were collected using Self-Administered Questionnaires (SAQ) and interviews as explained below. The researcher used Self-Administered Questionnaires to obtain primary data from bank agents and the selected employees of the commercial with in Kawempe Division. The questions were open ended to allow the respondents provide detailed information relating to

the study. Also some questions were on Likert scale. Further, primary data was collected through interviews with managers of the selected branches of the commercial bank with in Kawempe division. This allowed collection of detailed information about agency banking in particular agent charges and profit growth. The researcher obtained secondary data from documents such as annual reports, banking statements, meeting proceedings and files of selected commercial banks, Bank of Uganda publications and Uganda Bankers association report. Additional secondary information was also be collected from Bank of Uganda website, commercial banks' websites and other media that the researcher deemed relevant to the study.

FINDINGS, PRESENTATION AND DISCUSSIONS

**Table 3.1 Summary of Gender of the Respondents**

Gender	Male	Female	Total
Bank staff	8	12	20
Bank Agents	16	14	30
Total	24	26	50
Percent	**48%**	**52%**	**100%**

Source: Primary (2022).

The findings in table 4.2 above, 52% (26 females) of the respondents of the study were females and 48% (24 males) were males. Further, there were more female bank staffs (12) in relation to the number of male staff for Equity bank in Kawempe division. However, the number of male bank agents

(16) was greater than the number of female agents (14). Generally, the bank has no gender segregation in relation to employment.

**Graph 3.1: showing level of education of the respondents**
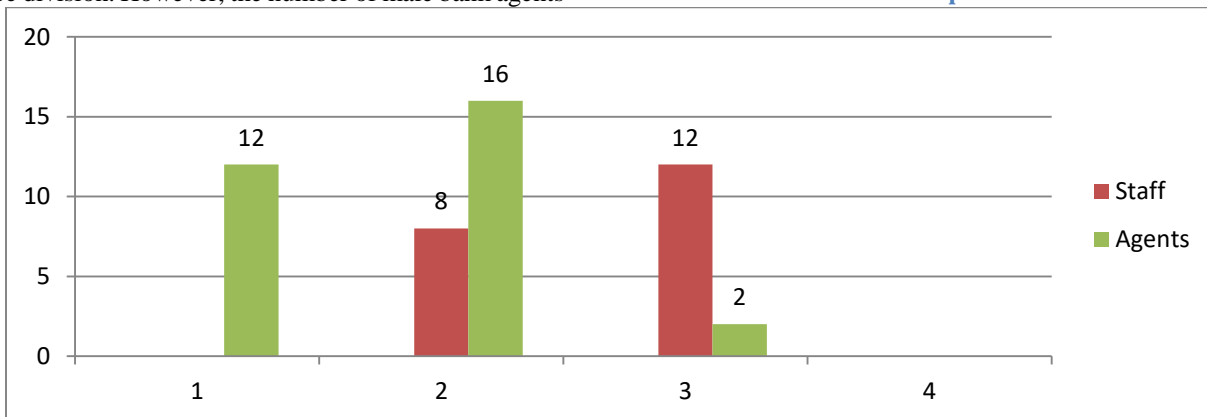
Source: Primary (2022).
Key: 1- Secondary education, 2- Tertiary education and 3- University graduate.
According to the graph 4.1 above, majority of the bank staff (12 bank staff respondents) were graduates and the remaining 8 bank staff had completed tertiary education. 16 agent respondents had attained tertiary education, followed by 12 bank agent respondents that had completed secondary education and lastly 2 bank agent respondents were graduates.

Further, no bank staff had attained only secondary education hence bank staff are more educated than bank agents in Kawempe division. Therefore, bank staffs are more technical with regard to agency banking.

**Graph 4.2: showing years of experience of respondents**
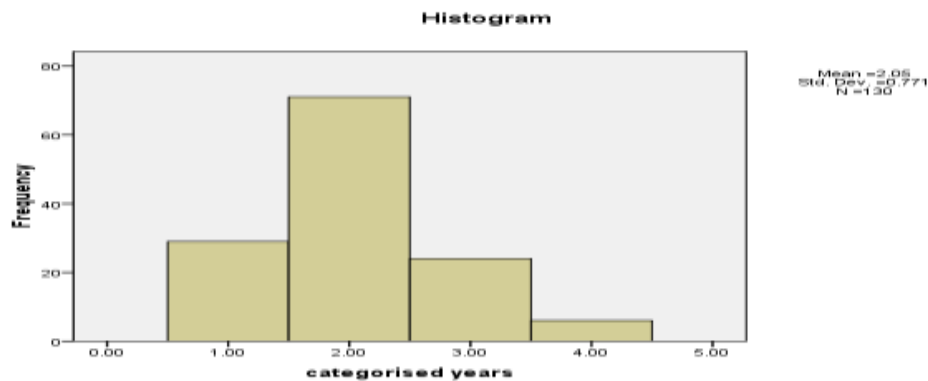
The level of experience for the respondents was summarized for easy interpretation of the findings. Therefore 0-2 years = 1, 3-5 years=2, 6-10 years=3 and 11-15 years= 4.

The findings in graph 4.2 of the study revealed that majority of the respondents have worked with equity bank for 3-5 years. The average level of experience for the respondents was 2.05 with a standard deviation of 0.771. This is below 1 hence the mean level of experience 2.05 is not spread from the center. Therefore 70% of the respondents have worked Equity bank for over 3 year and possess sufficient experience, knowledge and skills of how best to eliminate errors and produce the desired results for the commercial bank in particular to agency banking.

Graph 3.4: showing Volume of agency transactions for Equity Bank in Kawempe Division.
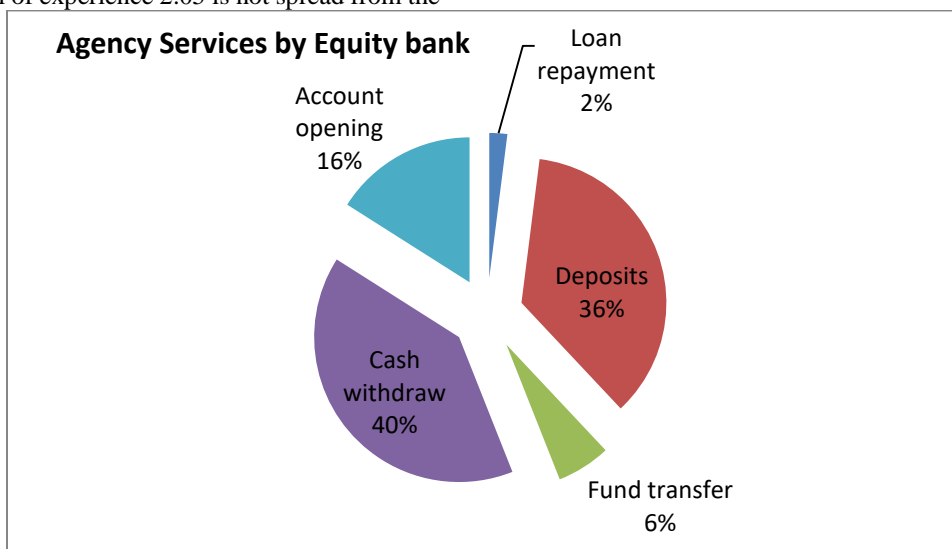
Source: Primary (2022).

According to graph 3.4 above, the findings revealed account opening, cash withdraws, cash deposits, fund transfers and loan repayment as services provided by agents in Kawempe Division for Equity Bank. The graph further revealed that 40% of volume of transactions by agents are for withdraws, 36% of the volume of transactions were cash deposits, 16% was for account opening, 6% of the transaction was fund transfer and 2% was for loan repayment.

3.4.1 THE DESCRIPTIVE ANALYSIS BETWEEN AGENT COMMISSION AND BANKING PERFORMANCE OF EQUITY BANK

The study used Likert scale where the answers were on a scale of 1 to 5. Where 5= Strongly Agree, 4= Agree, 3 = Neutral, 2 = Disagree and 1 = Strongly Disagree. The table also includes the summary of the participant's responses basing on percentages (P), frequency (F), standard deviation (Std) and mean.

Table 4.4: Descriptive analysis agent commission and banking performance of Equity bank

SN	Statement		SD	D	N	A	SA	Total	Mean	Std
I		F	2	6	10	25	7	179	3.58	0.17

	Agent commission reduces the revenue of the commercial bank hence profitability of the bank	P	4	12	20	50	14	100		
Ii	Agent commission is charged on customer transaction.	F	0	0	5	35	10	205	4.1	0.46
		P	0	0	10	70	20	100		
Iii	Agent commission reduces the assets of the commercial bank as well as the Return on Investment of the commercial bank	F	5	8	20	17		149	2.98	1.32
		P	10	16	40	34		100		
V	Agent commission has a relationship with banking performance of the commercial bank.	N	8	18	20	3	1	121	2.42	0.68
		P	16	36	40	6	2	100		

Source: Primary (2022).

According to findings in table 4.4 above, the average response on the statement "Agent commission reduces the revenue of the commercial bank hence profitability of Equity bank" was 3.58 with standard deviation of 0.17. This means that averagely, respondents were neutral on the statement. However, the findings further revealed that majority of the respondents (64%) agree that agent commission reduces the revenue received by commercial banks hence its profitability as the commercial bank shares the agency charges with the bank agents in a predefined ratio.

Further, the findings in table 4.4 above on the statement "Agent commission is charged on customer transaction" revealed a 4.1 mean response value with a standard deviation of 0.46. Further, the findings revealed that 90% of the respondents agree that agent commission is charged on customer transactions.

The findings in table 4.4 above on the statement "Agent commission reduces the assets of the commercial bank as well as the Return on Investment of the Equity bank" revealed a 2.98 mean value with standard deviation of 1.32. This means that averagely, respondents are neutral with the statement

however, the standard deviation is skewed to the right hence the mean value is not conclusive on the statement. Further, the findings revealed that 40% of the respondents were neutral on the statement hence agent commission does not necessarily reduce the assets of the commercial as well as the Return on Investment.

The findings in table 4.4 above also revealed that the mean response on the statement "Agent commission has a relationship with banking performance of the commercial bank" was 2.42 with standard deviation of 0.68 hence the average number of the respondents disagreed with the as neutral on the statement. Further, the findings revealed that 52% of the respondents disagreed with the statement, 40% were neutral and 8% agreed with the statement. Therefore, majority of the respondents disagreed with statement and concluded that agent commission has no relationship with banking performance of the bank since it is charged separately on customer transactions and paid to agents.

Table 3.5: Correlation between Agent commission and banking performance of Equity bank

Correlations				
			Agent commission	Banking performance
Agent commission	Pearson Correlation		1	.627**
	Sig. (2-tailed)			.001
	N		50	50
Banking performance	Pearson Correlation		.627**	1
	Sig. (2-tailed)		.001	
	N		50	50
**. Correlation is significant at the 0.01 level (2-tailed).				
Source: Primary (2022)				

According to the findings in table 3.5, the correlation between agent commission and banking performance of Equity bank, the researcher used average monthly commission received by agents and monthly Interest Margin of the commercial bank. The findings revealed 0.627 correlation coefficient and a sig value of 0.01. This indicated a significant positive relationship between agent commission and banking performance of Equity. Therefore, Equity bank can improve its profitability by increasing commission of agents. Further, increasing agent commission acts as a motivation for agents to attract more customers for account opening, increase in transactions as well as increased revenue.

3.6.1 DESCRIPTIVE ANALYSIS OF AGENT CHARGES AND BANKING PERFORMANCE OF EQUITY BANK.

The researcher used Likert scale for this particular section of the study where the responses were on a scale of 1-5. Where 1 = Strongly Agree, 2= Agree, 3 = Neutral, 4 = Disagree and 5 = Strongly Disagree. The table below shows a summary of the participant's responses basing on percentages (P), frequency (F), standard deviation (Std) and mean;

Table 3.6: Descriptive analysis of Agent charges and banking performance of Equity bank

	Question		SD	D	N	A	SA	Total	Mean	std
I	High agent charges discourage customers from transacting through agents hence reducing the profitability of the bank	N			15	20	15	200	4.0	0.87
		P			30	40	30			
Ii	Agent charges reduce significantly the profits of the commercial bank hence reducing the Return on Investment of the commercial bank	N	2	3	19	20	6	175	3.5	1.42
		P	4	6	36	40	12	100		
Iii	Agent charges have a relationship with banking performance of the commercial bank.	N	0	4	20	18	8	180	3.6	0.39
		P	0	8	40	36	16	100		

Source: Primary (2022).

The findings in table 4.6 showed mean response of 4.0 and standard deviation of 0.87 on the statement "High agent charges discourage customers from transacting through agents hence reducing the profitability of the bank". Further, the findings revealed that 70% of the respondents agree with the statement. Therefore Equity bank should ensure agency charges are as low as possible to attract more customer, increase transaction volume hence profitability.

The findings in table 3.6 also showed mean response of 3.5 with a standard deviation of 1.42 on the statement "Agent charges reduce significantly the profits of the commercial bank hence reducing the Return on Investment of the commercial bank." Further, the findings revealed that 52% of the respondents disagreed that agent charges do not reduce the profits of the bank as they are paid directly by the customer.

The findings in table 4.6 showed a mean response of 3.6 with a standard deviation of 0.39 on the statement "Agent charges have a relationship with banking performance of the commercial bank". Further, the findings revealed that the biggest proportion 52% of the respondents disagreed with the statement that agent charges have a relationship with banking performance of commercial banks. This was because most respondents argued that agent charges are paid by the customer hence have no effect on the performance of the commercial bank.

Table 4.7: showing correlation between Agent charges and banking performance of Equity bank.

Correlations			Agent charges	Banking performance
Spearman's rho	Agent charges	Correlation Coefficient	1.000	-.434*
		Sig. (2-tailed)	.	.045
		N	50	50
	Banking performance	Correlation Coefficient	-.434*	1.000
		Sig. (2-tailed)	.045	.
		N	50	50
*. Correlation is significant at the 0.05 level (2-tailed).				

Source: Primary (2022)

According to the findings in table 3.7 above, there is correlation between agent charges and banking performance is -0.434 with significance value is 0.0. Therefore, there is a negative significant relationship between agent charges and banking performance of Equity bank. This means increase in agent transaction charges discourages customers from using agency banking, reducing the agent transaction volume and revenue hence banking performance of the bank.

3.7.1 DESCRIPTIVE ANALYSIS OF THE TRANSACTION VOLUME AND BANKING PERFORMANCE OF EQUITY BANK.

The researcher used Likert scale for this particular section of the study where the responses were on a scale of 1-5. Where 1 = Strongly Agree, 2= Agree, 3 = Neutral, 4 = Disagree and 5 = Strongly Disagree. The table below shows a summary of the participant's responses basing on percentages (%), frequency (F), standard deviation (Std) and mean;

Table 3.8 Descriptive analysis of transaction volume and banking performance of Equity bank

	Question		SD	D	N	A	SA	Total	Mean	std
I	Transaction volume has a positive relationship with the profitability of the bank	N	0	0	7	34	9	202	4.04	0.32
		P	0	0	14	64	18	100		
Ii	Higher agency transaction volume has an effect on investment return	N	0	2	12	16	20	204	4.08	0.17
		P	0	4	24	32	40	100		
Iii	Agency transaction volume has an effect on commission paid to agents.	N	0	1	11	28	10	197	3.94	1.67
		P		2	22	56	20	100		
Iv		N	0	0	9	23	18	209	4.18	0.16

	Agent transaction volume has a relationship with banking performance of the commercial bank.	P	0	0	18	46	36	100		

Source: Primary (2022).

The findings in table 3.8 above showed mean response of 4.04 and standard deviation of 0.32 on the statement "Transaction volume has a positive relationship with the profitability of the bank." Further, the findings revealed that 82% of the respondents agree that agency transaction volume has a positive relationship with profitability of the bank as the volume of transaction increases with revenue and profits of the commercial bank.

The findings in table 3.9 also showed mean response of 4.08 with a standard deviation of 0.17 on the statement "Higher agency transaction volume has an effect on investment return". Further the findings revealed that 62% of the respondents agreed that higher agency transaction volume has an effect on investment return as increases net profits hence return on investment.

The findings in table 3.9 showed a mean response of 3.94 with a standard deviation of 01.67 on the statement "Agency transaction volume has an effect on commission paid to agents". Further, the findings revealed that 76% of the respondents agreed with the statement. Therefore, high level of agency transactions generates more agent commission and agents with high level of transactions receive higher commission from the commercial bank.

The findings in table 3.9 also revealed a 4.18 mean response with standard deviation of 0.16 on the statement "Agent transaction volume has a relationship with banking performance of the commercial bank". The findings also revealed 82% of the respondent agreed that agent transaction volume has a relationship with banking performance of equity bank.

Table 3.10: showing correlation between agency transaction volume and banking performance of Equity bank.

	Model	Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1 2 3	(Constant)	3.037	.029		4.234	.000
	Commission	0.181	.000	.015	2.536	.002
	Charges	0.227	.036	.013	1.292	.001
	Transaction volume	2.313	.012	.728	2.184	.003

a. Dependent Variable: Banking performance

Correlations

			Agency transaction volume	Banking performance
Pearson	Agency transaction volume	Correlation Coefficient	1.000	0.728*
		Sig. (2-tailed)	.	.005
		N	50	50
	Banking performance	Correlation Coefficient	0.728*	1.000
		Sig. (2-tailed)	.005	.
		N	50	50

*. Correlation is significant at the 0.05 level (2-tailed).

Source: Primary (2022)

From table 3.10 above, the correlation between agency transaction volume and banking performance was 0.728 with a significance value is 0.005. Therefore, there is a strong positive significant relationship between agency transaction volume and banking performance of Equity bank. This means that high level of agency transactions leads to high level of banking performance for the commercial bank.

Table 3.11: Regression analysis for Agency banking and banking performance of Equity bank
Source: Primary (2022).

Model	R	R Square	Adjusted R Square
1	.485ᵃ	0.47	0.468
2	.209ᵇ	0.23	0.283
3	.732ᶜ	0.71	0.721

d. Dependent Variable: Banking performance.

The findings from table 3.11 showed that banking performance of Equity bank was 46.8% predicted by agent commission (Adjusted R Square = 0.468). The remaining 53.2% was predicted by other factors outside the study. The regression model was also valid (sig.0.002 <.05). Therefore paying agents commission acts a motivation for improving banking performance by 46.8% of the profits for Equity bank. Also table 3.11 showed that banking performance of Equity bank was 28.3% predicted by agent charges (Adjusted R Square =0.283). The remaining 71.7% was predicted by other factors outside the study. The regression model was sig. <.001). Therefore, agent charges have a significant relationship on profitability of the bank as well as banking performance. Findings in table 3.11 also showed that banking performance was 72.1% predicted by the volume of agent transactions (Adjusted R Square =0.721). The remaining 27.9% was predicted by other factors outside the study. The regression model was significant since P value (0.003) is less than 0.05. This means that increased volume of agency transactions increases the revenue and profits of the commercial bank hence improved the sales of the bank hence banking performance. Generally, there is a relationship a significant relationship between agency banking and and banking performance of equity bank..

CONCLUSION AND RECOMMENDATIONS

CONCLUSIONS
There is a positive relationship between agent commission and banking performance of Equity bank and payment of fair commission to agent acts a motivation to increase the volume of transactions hence increase in profits for the bank. There is a negative significant relationship between agent charges and

banking performance of Equity bank charging high transaction charges on customers for agency banking services reduces the volume of transactions hence reducing sales and profits for the bank. There is a strong positive significant relationship between transaction volume and banking performance of Equity bank hence high volume of transactions generates high revenue and profits for the bank hence improves the banking performance of the bank.

RECOMMENDATIONS OF THE STUDY
After critically analyzing the findings of the study, the researcher came up with the following recommendations.

1. Equity bank should reduce the transaction charges for customers using agency banking services as this will increase the volume of transactions, attract new customers and generate substantial revenue and profits for the commercial bank.

2. With regard to agent commission, Equity bank should allow agents to immediately receive commission after every transaction as this will motivate them further to attract more customers and generate more revenue for the commercial bank.

3. Equity bank should also look at various ways introducing new products under agency banking in a bid to increase the volume of transactions since it's a major contributor to the profitability of the bank.

REFERENCES
[1] Atandi, F. G. (2013). Challenges of agent banking experiences in Uganda. The International Journal of Academic Research in Business Social Sciences, 3.

[2] Bank of Uganda Report 2020, B. (2020). Annual performance of Commercial Banks. Retrieved from Kampala, Uganda:

[3] Banking.ug.com, A. (2018). Frequently Asked Questions about Agent Banking. Retrieved from https://agentbanking.co.ug/

[4] Barasa, D. A., Mwirigi, F. M. J. E. J. o. B., & Management. (2013). The role of agency banking in enhancing banking sector deepening in emerging markets: lessons from the Ugandan experience. 5(21), 19-21.

[5] Bernard Ngaruiya, M. B., Simon M. Kamau. (2014). Effect of Agency Money Transactions on Banking Performance of Small and Medium Enterprises in Nakuru Central Business District

[6] Research Journal of finance and accounting, 5(12), 53.

[7] Bongomin, G. O. C., Ntayi, J. M., Munene, J. C., Malinga, C. A. J. R. o. I. B., & Strategy. (2017). The relationship between access to finance and growth of SMEs in developing economies: Banking literacy as a moderator.

[8] Chiteli, N. (2013). Agent Banking Operations as a Competitive Strategy of Commercial Banks in Kisumu City. International Journal of Business and social sciences, 4(13).

[9] Chude, N. P.-N., Chude, D. I. J. R. j. o. f., & accounting. (2014). Impact of agent banking on performance of deposit money banks in Nigeria. 5(9).

[10] Corporate Finance Institute, C. (2021). Banking Performance. Retrieved from https://corporatefinanceinstitute.com/resources/knowledge/finance/banking-performance/

[11] Edquist, C., & Hommen, L. J. T. i. s. (1999). Systems of innovation: theory and policy for the demand side. 21(1), 63-79.

[12] Hasan, Z. (2019). The Effects of Agent Banking on the Profitability of Commercial Banks in Bangladesh

[13] Brac University,

[14] Hyde, F. E. J. B. H. (1962). Economic Theory and Business History: A comment on the theory of profit maximisation. 5(1), 1-10.

[15] Jake Frankenfield, E. R. (2021). Commision. https://www.investopedia.com/terms/c/commission.asp

[16] Kalule, B., & Kiwana, J. J. W. P. (2016). The devil is in implementation: Africa-Uganda. 16(2), 42-43.

[17] Kenton, W. (Producer). (2021). Banking Performance. Retrieved from https://www.investopedia.com/terms/f/bankingperformance.asp

[18] Khisa, I. (2017, 7TH November 2017). Rolling out Agency Banking. The independent Magazine. Retrieved from https://www.independent.co.ug/kcb-set-roll-agency-banking/

[19] Kopp, C. M. (Producer). (2021, 15/06/2021). Agency Banking. Agency banking Theory. Retrieved from https://www.investopedia.com/terms/a/agencytheory.asp

[20] Kyamutetera, M. (2020). UGX 906 bn in profits; 2019 was a good year for Ugandan banks. East African magazine. Retrieved from https://www.ceo.co.ug/ugx-906-bn-in-profits-2019-was-a-good-year-for-ugandan-banks/

[21] Margaret, K. G., & Ruth, N. K. (2019). The effect of banking services on the business performance of bank agents in Uganda. Cogent Business & Management, 6(1), 1684420. doi:10.1080/23311975.2019.1684420

[22] Mbugua, S. (2015). Role of Agent Banking Services in Promotion of Banking Inclusion in Nyeri Town Uganda. Research Journal of finance and accounting, 6(3), 2222-2847.

[23] Monicah, D. N. (2016). THE EFFECT OF AGENCY BANKING ON FINANCIA PERFORMANCE OF COMMERCIAL BANKS IN UGANDA

[24] (Masters), University of Nairobi, Nairobi, Uganda. Retrieved from http://erepository.uonbi.ac.ke/bitstream/handle/11295/99592/Monica_The%20Effect%20Of%20Agency%20Banking%20On%20Banking%20Performance%20Of%20Commercial%20Banks%20In%20Uganda.pdf?sequence=1

[25] Muhumuza. (2017). How businesses can cash in on agent banking. Daily Monitor. Retrieved from https://www.monitor.co.ug/uganda/business/prosper/how-businesses-can-cash-in-on-agent-banking-1708880

[26] Mwando, S. (2013). Contribution of agency banking on banking performance of commercial banks in Uganda. Journal of Economics Sustainable Development, 4(20), 26-34.

[27] Nepal, A. (2016). SOCIAL ENTREPRENEURSHIP, INNOVATION AND PROFIT. 198.

[28] Oburu, K. N. (2018). Effects of Agency Banking on the financal performance of (Masters Academic), University of Nairobi, Naironi, Uganda.

[29] Siddiquie, R. (2017). Agent banking, the revolution in banking service sector of Bangladesh

[30] Journal of Economics and Finance (IOSR-JEF), 5(1), 28-32. doi:www.iosrjournals.org

[31] Tessema, A. T., & Kruger, J. W. (2015). An interest rate commission agent banking system. Paper presented at the 28th Australasian Finance and Banking Conference.

[32] tools.com, A. (2021). What is an Accounting Transaction? Retrieved from https://www.accountingtools.com/articles/what-is-an-accounting-transaction.html

[33] Tumwine, F., Mbabazize, M., Shukla, J. J. I. J. o. C., & Cooperative Studies, 1. (2015). Savings and credit cooperatives (SACCOs) services terms and members economic development in Rwanda: a case study of Zigama SACCO LTD. 56.

[34] Uganda Bankers Association, U. (2020). Agent Banking in Uganda: A review of the opportunities and challenges. Retrieved from Kampala, Uganda:

[35] Waihenya, H. M. (2012). The effect of agent banking on banking inclusion in Uganda. University of Nairobi,

[36] wikipedia. (2021). Agent Banking. Agent Banking. Retrieved from https://en.wikipedia.org/wiki/Banking_agent#cite_note-1