

# **The Role Of Multi-National Companies In the Economic Development Of Uganda: A Case Study Of Mtn Uganda**

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## **Introduction**

The purpose of the study was to examine the role of Multi-National Companies in the economic development of Uganda considering MTN as the case study.

## **Objectives**

The study was guided by the following objectives;

1. to analyze the contribution of MTN Uganda to the economic development of Uganda,
2. to examine the challenges facing MTN Uganda towards the economic development of Uganda, and
3. to establish the strategies for enhancing MTN Uganda's operations towards the economic development of Uganda.

## **Methodology**

The study used a survey research design and both the qualitative and quantitative approaches. The researcher obtained data from a sample of 68 who availed responses that were relied upon for the presentation, analysis, and interpretation of findings.

## **Key findings**

The study found that MTN Uganda contributed significantly to job creation namely; directly employed persons and indirectly people running “mobile money” businesses and vending airtime and data throughout the country; hence contributing to the economic development of Uganda.

The study also found that MTN faced several challenges for example they are accused of under-declaring its sales and causing public revenue losses in tax revenue. The company was also accused of compromising national and regional security and the relations between the government and the company had been tested over the past year by a series of setbacks including a security raid on the company’s data centre, delayed renewal of its operating license, and the expulsions of its executives. There was, also, stiff competition from other telecom companies.

The study recommended that MTN Uganda should manage its relations with the local society better by making its communications services available at a much lower cost, with the intent of gaining many more subscribers. MTN Uganda should establish collaborative relationships with local organizations, which could promote the distribution of services in return for rebates. MTN staff should volunteer time to coach young entrepreneurs or small enterprise groups in the surrounding community so that they can have better working relations today and in the future with the company as part of its

corporate social responsibility.

### **Key references**

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