

**AGENT BANKING AND CUSTOMER SATISFACTION IN A MAJOR BANK IN
KAMPALA: A CASE OF CENTENARY BANK**

JOYCE CHEBIJIRA

J23M15/215

**A DISSERTATION SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL FULFILLMENT
OF THE REQUIREMENTS FOR THE AWARD OF A DEGREE OF MASTER OF BUSINESS
ADMINISTRATION OF UGANDA CHRISTIAN UNIVERSITY**

May, 2026



**UGANDA CHRISTIAN
UNIVERSITY**

A Centre of Excellence in the Heart of Africa

DECLARATION

I, **Chebijira Joyce**, declare that this Dissertation entitled “***Agent Banking and Customer Satisfaction in a major Bank in Kampala: A Case of Centenary Bank***” is my own original work and has never been presented at any academic Institution in fulfilment of the requirements for any academic award. All sources of information used in this report have been well cited and corresponding authors acknowledged. I therefore submit it to Uganda Christian University for the award of a Master’s Degree in Business Administration.

Signed:

A handwritten signature in brown ink, appearing to read 'Chebijira', is written over a faint, light-colored rectangular stamp.

Date: May 24, 2026

APPROVAL

I certify that this research by **Chebijira Joyce**, entitled “***Agent Banking and Customer Satisfaction in a major Bank in Kampala: A Case of Centenary Bank***” was conducted under my supervision and is now ready for submission.

Supervisor’s Name: DR. BENON MUSINGUZI

Signature: ...



Date: May 26, 2025

DEDICATION

I dedicate this work to my beloved Parents; Mr. & Mrs. Yeko Mwanga, My friend's
Lu Nicholas, Jay Tungana and James Tara.

ACKNOWLEDGEMENT

I thank God Almighty, for it is by His sufficient grace that I have come this far. Without His guidance, strength, and provision, this achievement would not have been possible.

In a special way, I extend my deepest gratitude to my supervisor, Dr. Benon Musigunzi, who did not stop at being a supervisor, but went ahead to become a mentor, friend, and a source of inspiration. I sincerely thank God for granting me the opportunity to work under his guidance.

I am also grateful to all the respondents from the agent bankers of Centenary Bank for their invaluable support and cooperation during the data collection process. I am deeply grateful to Mr. Oscar Kitara for his invaluable assistance in mobilizing the entire team during the data collection process.

My heartfelt appreciation goes to my entire family, especially my dear dad, who stood by me with unwavering support and encouragement throughout this journey. Thank you for your patience and for constantly pushing me to pursue excellence.

Lastly, I extend my sincere thanks to all those who, in one way or another, contributed to the successful completion of this study, even if not mentioned by name. Your support has not gone unnoticed, and I am truly grateful.

God bless you all

TABLE OF CONTENTS

DECLARATION.....	i
DEDICATION	iii
ACKNOWLEDGEMENT	iv
LIST OF TABLES.....	viii
LIST OF FIGURES	ix
ABSTRACT	x
CHAPTER ONE.....	1
INTRODUCTION	1
1.0 Introduction	1
1.1 Background of the Study.....	2
1.2 Problem Statement.....	3
1.3 Purpose of the study.	4
1.4 Research Objectives.....	4
1.5 Research Questions.....	5
1.6 Hypotheses	5
1.7 Scope of study.....	5
1.8 Justification of the study.....	6
1.9 Conceptual framework.....	7
CHAPTER TWO	9
LITERATURE REVIEW	9
2.0 Introduction	9
2.1 Theoretical Framework	9
2.2 The Bank-led Theory	11
2.2.1 Application to Agent Banking in Uganda	11
2.2.3 Critical Analysis and Relevance to Customer Satisfaction	12
2.3 Empirical Literature Review	13
2.3.1 Agent banking	13
2.3.2 Customer Satisfaction.....	14
2.3.3 ICT and Customer Satisfaction	15
2.3.4 Agent and Customer Satisfaction	16
2.3.5 The role of Agency banking in Banking	17
2.3.6 Challenges in Agency banking adoption and use	18
2.4 Gaps in Literature	19
2.5 Conclusion.	20

CHAPTER THREE.....	21
METHODOLOGY.....	21
3.0 Introduction.....	21
3.1 Research Design.....	21
3.2 Sources of information.....	21
3.3 Study Population.....	23
3.4 Sample Size Determination.....	23
3.4.2 Sampling Techniques	23
3.6 Data collection methods.....	25
3.6.1 Questionnaire survey	25
3.6.2 Interview method	25
3.7 Data Collection Instruments	25
3.7.1 Questionnaire	26
3.7.2 Interview guide	26
3.8 Quality Control.....	26
3.8.1 Validity	27
3.8.2 Reliability	27
3.9 Procedure for data collection.....	28
3.10 Data analysis	28
3.10.1 Quantitative data analysis	29
3.10.2 Qualitative data analysis	29
3.11 Measurement of variables.....	29
3.12 Ethical considerations	29
CHAPTER FOUR.....	31
PRESENTATION, ANALYSIS, AND INTERPRETATION OF FINDINGS	31
4.0 Introduction	31
4.1 Response rate	31
4.2 Demographic characteristics of respondents	32
4.3 Findings on descriptive statistics.....	34
4.3.1 Descriptive statistics on System Ease of Use	34
4.3.2 Descriptive statistics on System Reliability	35
4.3.3 Descriptive statistics on Transaction Processing Speed	36
4.3.4 Descriptive statistics on Customer Satisfaction	38
4.4 Findings for Correlation Analysis	39
4.5 Findings for Regression Analysis	40

4.6 Summary of the findings.....	41
CHAPTER FIVE	42
SUMMARY, DISCUSSION, CONCLUSIONS, AND RECOMMENDATIONS	42
5.1 Introduction	42
5.1 Summary of Findings	42
5.2 Conclusions	43
5.3 Recommendations	44
5.4 Areas for Further Research.....	46
5.5 Contribution to Knowledge	47
APPENDICES	49
Appendix i: Structured Questionnaire.....	49
Appendix ii: Interview guide.....	52

LIST OF TABLES

Table 3 1: Study population, Sample and sampling techniques	24
Table 3 2: Validity test results	28
Table 3 3: Reliability test results	29
Table 4 1: Response Rate	32
Table 4 2: Findings on demographic characteristics of the respondents	33
Table 4 3 1: Descriptive statistics on System Ease of Use	36
Table 4 3 2: Descriptive statistics on System Reliability	36
Table 4 3 3: Descriptive statistics on Transaction Processing Speed	37
Table 4 3 4: Descriptive statistics on Customer Satisfaction	38
Table 4 4 1: Findings for Correlation Analysis	40

LIST OF FIGURES

Figure 1 Conceptual framework	7
-------------------------------	---

ABSTRACT

The study examined agent banking and customer satisfaction at Centenary Bank in Kampala, Uganda. The main objective was to assess the influence of system ease of use, system reliability, and transaction processing speed on customer satisfaction in agent banking services. The study was guided by the increasing adoption of agent banking as a financial inclusion strategy aimed at improving accessibility, efficiency, and convenience in banking services.

A descriptive and correlational research design was adopted, using quantitative data collected from a sample of 210 respondents comprising agent banking users and agents. Data was analyzed using descriptive statistics, correlation analysis, and multiple regression analysis to determine relationships between variables and the extent to which the independent variables predicted customer satisfaction.

The findings revealed that respondents generally agreed that the system was moderately easy to use (overall mean = 3.75, SD = 0.903), relatively reliable (mean = 3.91, SD = 0.764), and efficient in transaction processing speed (mean = 3.91, SD = 0.767). Customer satisfaction was also found to be high (mean = 3.918, SD = 0.753). Correlation results showed that system ease of use ($r = 0.764$), transaction processing speed ($r = 0.735$), and system reliability ($r = 0.702$) all had strong and significant positive relationships with customer satisfaction at the 0.01 level. Regression analysis further indicated that the predictors jointly explained 47.4% ($R^2 = 0.474$) of the variation in customer satisfaction, with transaction processing speed emerging as the strongest predictor ($B = 0.502$, $p < 0.001$).

The study concluded that system usability, reliability, and transaction speed significantly influence customer satisfaction in agent banking services. It recommended that Centenary Bank should improve system usability, strengthen system reliability, and enhance transaction processing speed to further improve customer satisfaction and service delivery efficiency.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

Agency banking is the provision of financial services beyond traditional bank branches, often through non-bank retail channels enabled by Point-of-Sale (POS) devices or mobile phones to process real-time transactions (Modupe, 2010). Over the last decade, the banking industry in Uganda has witnessed several technological innovations aimed at enhancing access, convenience, and the efficiency of service delivery. One of them is agent banking, a model which enables banks to expand their services by providing them using third-party agents instead of using physical branches only. The agent banking providers were only 139 in 2017, but spurred to exponential growth in 2019 to 11,000 before rising to over 23,000 in 2021 and then over 26,858 in 2022 (Monitor, 2022). Since its introduction in 2016, following the amendment of the Financial Institutions Act of 2004, agent banking has become a primary strategy to increase the range of financial services, particularly in the poorly served and populated urban centers. Agency banking has been introduced as an opportunity to improve the financial inclusion process in Uganda, where a system of conveniently accessed basic banking services in underserved regions is offered via a network of retail agents (Kwesiga, 2024). The largest microfinance institution in Uganda, Centenary Bank, has been leading in the application of agent banking, and it has more than 7,000 agents in the country. The agents process daily transactions like deposits, withdrawals, and payment of bills and enquiries on the accounts. The mobile money service providers and the end-users are mediated by agents who facilitate the transaction and assist the end-users.

The goal is to reduce congestion in banking halls, bring services closer to the people, and enhance overall customer convenience. Adoption of agency banking has reduced queues in banks, adoption of agency banking has reduced deposits in banking halls, and that adoption of agency banking has reduced withdrawals in banking halls. The chapter presents background, problem statement, purpose, objectives, research questions, hypothesis, conceptual framework, scope, justification, significance and definitions of key terms and concepts of the study.

1.1 Background of the Study.

In January 2016, the Ugandan Parliament passed an amendment to the Financial Institutions Act of 2004. This act allowed banks to offer agency banking services in the country. The introduction of agent banking in Uganda was a response to the high cost of banking infrastructure and the need for greater financial inclusion. By partnering with trusted retail outlets, banks are able to offer services closer to customers' homes or businesses without investing in expensive physical branches.

The development of agency banking services is aimed at decongesting banking halls, reduce the incidences of long queues in banking halls as well as providing services at a personal level in residential estates and even rural areas. This model is especially useful in reducing the time and travel costs customers incur when accessing banking services. Agency banking has increased the number of business hours for services delivery, bank agents work during holidays, bank agents work on weekends, bank agents close late and that bank agents open early.

Centenary Bank, Uganda's second-largest bank, by deposits, lending, assets and profitability Started in 1983 as a credit trust of the Uganda National Lay Apostolate,

transforming into a full-service commercial bank in 1993. They quickly adopted this model, establishing thousands of agents, many of whom operate in Kampala. These agents are equipped with point-of-sale (POS) devices and system access that enable them to provide essential banking services. However, despite its promise, agent banking at Centenary Bank has faced several technical and operational issues. These include slow system speeds, frequent outages, limited agent training, and inadequate support. Lack of ability, inadequate training, and a lack of the required instruments and systems. Such issues can affect the quality of service, resulting in reduced customer satisfaction.

Customer satisfaction is a critical indicator of a bank's performance and long-term viability. It encompasses customer perceptions regarding the ease of transactions, reliability of services, speed of service delivery, and the overall experience. Customer satisfaction is derived largely from the quality and reliability of your products and services. When these expectations are not met, customers may choose to return to traditional branches, causing long queues, delays, and dissatisfaction outcomes that defeat the purpose of agent banking. From this background, this study was designed to examine the effects of the agent banking system on customer satisfaction at Centenary Bank, Kampala.

1.2 Problem Statement

In January 2016, the Government of Uganda amended the Financial Institutions Act, 2004 to allow commercial banks to offer agency banking services through third-party agents. The amendment was intended to enhance financial inclusion, reduce the cost of banking operations, and extend financial services to underserved communities. Since its introduction, agency banking has become an important

channel through which commercial banks provide services such as cash deposits, withdrawals, bill payments, fund transfers, and account opening services. According to the annual reports of the Bank of Uganda, the number of agent banking outlets has grown significantly over the years, contributing to increased access to financial services across the country.

As one of the leading commercial banks in Uganda, Centenary Bank adopted agency banking as a strategic approach to expand its service delivery network. The bank has established over 7,000 agents nationwide, with a substantial concentration in Kampala and other urban centers. Through these agents, thousands of customers conduct banking transactions daily, making agent banking a critical component of the bank's customer service strategy. Despite this expansion, concerns regarding the performance of agent banking systems continue to emerge. Reports from customers and agents indicate challenges such as network failures, delayed transaction processing, system downtime, insufficient technical support, and difficulties in navigating digital banking platforms.

These challenges are particularly significant because customer satisfaction is closely linked to the quality and reliability of service delivery. Studies have shown that customers are more likely to remain loyal to banking institutions when services are timely, reliable, secure, and easy to use. However, according to the Bank of Uganda Financial Stability Review, digital financial service providers continue to face operational challenges related to system interruptions, connectivity issues, and technology-related risks that negatively affect customer experiences. Furthermore, the 2023 Uganda National Financial Inclusion Survey reported that while formal financial inclusion increased from 58% in 2018 to approximately 66% in 2023, a

notable proportion of customers still cited service unreliability, transaction delays, and technological challenges as barriers to effective utilization of digital financial services.

At Centenary Bank, the effectiveness of agent banking depends largely on system quality, transaction speed, reliability, and ease of use. When agents experience frequent system failures or delays, customers are often subjected to long waiting times, unsuccessful transactions, and inconvenience. Such experiences may reduce customer confidence in agent banking services and compel customers to return to traditional branch banking, resulting in congestion at banking halls and reduced satisfaction levels. Despite the strategic importance of agent banking, there is limited empirical evidence on how the performance of agent banking systems influences customer satisfaction within Centenary Bank, particularly from the perspective of agents who interact directly with both customers and the banking system on a daily basis.

Moreover, the bank lacks a comprehensive and structured mechanism for continuously collecting and analyzing feedback regarding agent banking system performance. Consequently, issues relating to system reliability, responsiveness, accessibility, and usability may persist without adequate intervention. This creates a knowledge gap regarding the extent to which the performance of the agent banking system affects customer satisfaction. Therefore, this study sought to examine the influence of agent banking system performance on customer satisfaction at Centenary Bank in Kampala, with the aim of generating evidence that can support improvements in service delivery and customer experience.

1.3 Purpose of the study.

This purpose of this study was to determine the effects of the agent banking system on customer satisfaction at Centenary Bank, Kampala.

1.4 Research Objectives

1. To determine the effect of system ease of use on customer satisfaction.
2. To determine the effect of system reliability on customer satisfaction.
3. To determine the effect of transaction processing speed on customer satisfaction.

1.5 Research Questions

1. What is the effect of system ease of use on customer satisfaction?
2. What is the effect of system reliability on customer satisfaction?
3. What is the effect of transaction processing speed on customer satisfaction?

1.6 Hypotheses

H1: System ease of use has a significant effect on customer satisfaction.

H2: System reliability has a significant effect on customer satisfaction.

H3: Transaction processing speed has a significant effect on the customer satisfaction.

1.7 Scope of study

This study focused on evaluating the effect of Centenary Bank's agent banking system on customer satisfaction, using the experiences of agents operating in Kampala District. Kampala was selected because it is the country's capital and

commercial center, with a high volume of banking activity and a large number of active agents. The study designed to examine the key aspects of the agent banking system, including ease of use, transaction speed and system reliability and how this influence customer satisfaction. The research was only to cover Centenary Bank agents in Kampala and not to include the agents from other banks or customers directly.

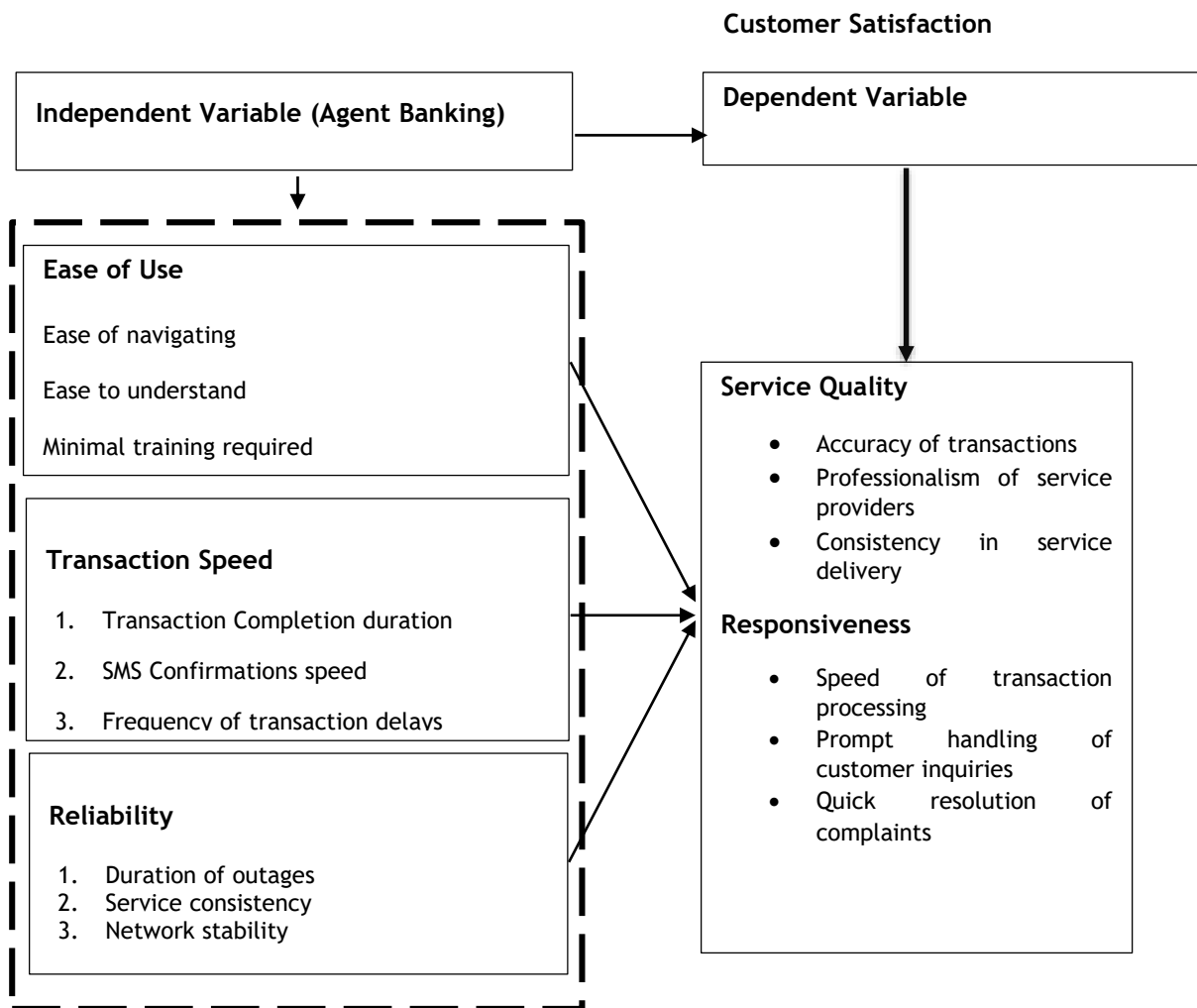
1.8 Justification of the study.

Another significant avenue of providing financial services in Uganda is agent banking. Since Centenary Bank is a large microfinance lender, it has put a lot of money into agent banking which has enabled the bank to deal with more customers cost-effectively. The success of such a system, however, lies in its performance in the field.

The agents are also key to the process of delivering banking services, but few studies have been conducted to learn from their experience with the system. Most of the agent's experience delays in the systems, technical problems, and other problems that impact on the quality of service they deliver to customers.

This research was significant in the sense that it has enabled Centenary Bank to know what is functioning well in the agent banking system and what needs to be done to improve it. The responses of the user agents who are also customers of the system assisted the bank in making improved decisions and enhancing the quality of service, customer satisfaction and reliability of the available system.

1.9 Conceptual framework



Researcher's own conceptualization based on DeLone and McLean Information Systems (IS) Success Model (1992)

The conceptual framework demonstrated how Agent Banking, as the independent variable, influenced Customer Satisfaction at Centenary Bank in Kampala. It was grounded in the SERVQUAL model, which suggested that customer satisfaction results from key service quality dimensions such as reliability, responsiveness, assurance, tangibles, and empathy. In the agent banking context, these dimensions reflected how effectively agents delivered banking services within communities, making banking more accessible and convenient for customers.

Agent banking in this study was examined through five major dimensions: service accessibility, service reliability, agent competence, transaction security, and cost-effectiveness. These components shaped on how well agents executed essential banking services, including deposits, withdrawals, bill payments, and balance inquiries. When these dimensions function effectively, they would enhance service quality and contribute to a positive customer experience.

Each dimension played a unique role in shaping satisfaction. Accessibility ensured that customers can easily reach agent points, reducing travel time and related costs. Reliability emphasized accurate and consistent service, while competence reflected the agent's professionalism and ability to serve customers effectively. Transaction security was to build trust through ensuring safe handling of funds and personal information, and cost-effectiveness assured customers that services are affordable and convenient.

Collectively, these dimensions influenced customer satisfaction indicators such as perceived service quality, convenience, trust, timeliness, and overall banking experience. The framework assumed that higher performance in accessibility, reliability, competence, security, and affordability led to greater satisfaction. It also recognized the possible moderating role of customer characteristics and environmental factors, although these were not central to the current study.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter presents a critical review of existing literature related to agent banking and its effects on customer satisfaction. It covers theoretical perspectives, empirical evidence from previous studies, and identifies the existing gaps that my study intends to address.

2.1 Theoretical Framework

This study was guided by the Technology Acceptance Model (TAM) developed by Fred Davis in 1989. The Technology Acceptance Model is one of the most widely used theories for explaining and predicting the acceptance and use of information systems and technological innovations. The model was developed to understand the factors that influence users' decisions to adopt and utilize a particular technology. TAM posits that an individual's intention to use a system is primarily determined by two key factors: Perceived Usefulness (PU) and Perceived Ease of Use (PEOU).

Perceived Usefulness refers to the degree to which an individual believes that using a particular system will enhance his or her job performance or productivity. In the context of agent banking, perceived usefulness reflects the extent to which agents and customers believe that the agent banking system improves transaction efficiency, reduces waiting time, increases accessibility to banking services, and enhances the overall banking experience. When agents perceive the system as useful

in facilitating transactions and serving customers effectively, they are more likely to embrace and utilize it consistently.

Perceived Ease of Use refers to the degree to which an individual believes that using a particular system requires minimal effort. A system that is easy to learn, navigate, and operate is more likely to be accepted by users. Within agent banking operations, ease of use may be reflected in simple transaction procedures, user-friendly interfaces, straightforward navigation, and minimal technical complexities. When agents can perform transactions efficiently without encountering difficulties, service delivery improves, thereby enhancing customer satisfaction.

According to TAM, perceived ease of use directly influences perceived usefulness because users tend to view systems that are easy to operate as more beneficial. These perceptions subsequently shape users' attitudes toward the technology, which influence their behavioral intentions and actual usage of the system. Consequently, a well-performing agent banking system characterized by reliability, responsiveness, accessibility, and ease of use is likely to encourage greater utilization by agents and customers.

The relevance of TAM to this study lies in its ability to explain how the performance of the agent banking system influences customer satisfaction. Features such as system reliability, transaction speed, accessibility, and ease of use affect agents' perceptions of the system and their ability to provide quality services to customers. Frequent system downtime, transaction failures, delayed responses, and complicated procedures may reduce perceived usefulness and ease of use, leading to poor service experiences and lower levels of customer satisfaction. Conversely, a

reliable and user-friendly system enhances service efficiency, customer convenience, and trust, thereby improving satisfaction levels.

Furthermore, TAM provides a useful framework for understanding the relationship between technology performance and customer outcomes in the banking sector. Since agent banking services are delivered through technological platforms, the effectiveness of these platforms significantly influences how customers perceive service quality. The model therefore supports the argument that improvements in system performance can lead to enhanced customer experiences and increased satisfaction with agent banking services.

In this study, TAM was used to explain how dimensions of agent banking system performance, including system reliability, responsiveness, accessibility, and ease of use, influence customer satisfaction at Centenary Bank. The theory provided a foundation for examining whether the effectiveness of the agent banking system contributes to positive customer experiences and satisfaction with the services offered through the bank's agent network.

2.2 Empirical Literature Review

2.2.1 Agent Banking

(Mahmood & Sarker, 2015) studied inclusive growth through branchless banking by reviewing agent banking and its impact. The study concluded that the success of agent banking in different countries depended on favorable and flexible policies regarding agent banking, coupled with continuous efforts by the central banks of those countries.

(Bizah, Gumbo, & Magweva, 2017) examined agent banking as a driver of financial inclusion in Zimbabwe and concluded that the challenges associated with agent banking mainly resulted from the inadequate capacity of agents to dispense banking services effectively.

(Nkiru Patricia-Nezianya & Daniel Izuchukwu, 2014) investigated the impact of agent banking on the performance of deposit money banks in Nigeria and concluded that the adoption of agent banking enhanced customer accessibility to banking services and improved bank profitability.

(Pervin & Sarker, 2021) examined the evolution and prospects of agent banking in Bangladesh and found that the primary purpose of agent banking services was to promote financial inclusion while ensuring compliance with regulations concerning money laundering and terrorism financing as stipulated by the Bangladesh Bank.

2.2.2 Customer Satisfaction

(Hanif, Hafeez, & Riaz, 2010) studied factors affecting customer satisfaction and concluded that customer satisfaction was important because it created a sense of belonging, emotional attachment, and brand loyalty among customers.

(Unyathanakorn & Rompho, 2014) investigated factors affecting customer satisfaction in online banking services and found that customer expectations regarding service quality and value significantly influenced satisfaction and loyalty.

(Hassan, Nawaz, Lashari, & Zafar, 2014) examined the effect of customer relationship management on customer satisfaction and concluded that increased

customer satisfaction encouraged repeat patronage, leading to increased sales and improved organizational profitability.

(Hamzah & Shamsudin, 2020) studied the importance of customer satisfaction in business and concluded that attracting new customers was essential for market growth and sustaining a competitive position within the industry.

(Ramachandran & Chidambaram, 2012) reviewed customer satisfaction towards service quality in the banking sector and found that attracting, retaining, and strengthening customer relationships were essential for maintaining satisfied and committed customers.

(Zouari & Abdelhedi, 2021) examined customer satisfaction in the digital era within Islamic banking and concluded that banks needed to continuously improve service quality to meet evolving digital customer needs and remain competitive.

(Rizwan et al., 2014) studied modern banking and customer satisfaction and concluded that customer satisfaction increased when banks delivered reliable services of the quality promised and within the expected time.

2.2.3 ICT and Customer Satisfaction

(Talebi & Bardsir, 2023) investigated the impact of information technology on service quality, customer satisfaction, and customer relationship management and concluded that the optimal utilization of information technology significantly improved customer focus and organizational operations.

(Kalogianidis, Chatzitheodoridis, & Paevangelou, 2023) studied management information technology and quality service delivery in government institutions and

found that elements of IT infrastructure management, particularly application servers, databases, operating systems, and network security, significantly influenced service quality.

(Dangolani, 2011) examined the impact of information technology on banking systems in Iran and concluded that information technology reduced transaction time for both customers and employees, lowered operational costs, and facilitated network transactions.

(Razad, Umer, Qureshi, & Samad, 2020) studied internet banking service quality, e-customer satisfaction, and loyalty using the modified e-SERVQUAL model and concluded that service quality played a critical role in shaping customer perceptions and behavior toward online banking services.

(Anggraini, Mas'adi, Nurhadi, & Arianto, 2022) examined the effect of customer satisfaction and service quality of banking products on customer loyalty and concluded that improved e-banking service quality was associated with increased customer loyalty among e-banking users.

2.2.4 Agent Banking and Customer Satisfaction

(Mkude, 2021) assessed the service quality of bank agents and its effect on customer satisfaction and concluded that customers preferred agent banking outlets to traditional bank branches.

(Mohere, 2023) examined the effects of quality service delivery on agency banking performance in Arusha Municipality and concluded that excellent service quality at agent outlets positively influenced agency banking performance.

(Kitali, Chepkulei, & Shibairo, 2015) studied the impact of agency banking on customer satisfaction in Kenya and found that responsiveness and quality service delivery were important attributes that improved customer satisfaction with agent banking services.

(Osman, Ashraf, & Hoque, 2023) investigated factors influencing client satisfaction with agent banking and found that service quality, security, trust, and convenience significantly influenced customer satisfaction, whereas transaction costs had an insignificant effect.

2.2.5 The Role of Agency Banking in Banking

(Tindi & Bogonko, 2017) studied the effects of agency banking on customer satisfaction in the Kenyan banking industry and concluded that although agency banking enhanced financial inclusion and financial deepening, it continued to face challenges that could undermine its achievements if not properly addressed.

(Afande & Mbugua, 2015) examined the role of agent banking services in promoting financial inclusion in Kenya and found that agent banking brought services closer to customers, thereby reducing travel time and queues in banking halls and at ATMs.

(Waihenya, 2012) investigated the effect of agent banking on financial inclusion in Kenya and confirmed that benefits accrued not only to banks but also to agents, customers, and governments.

(Lotto, 2016) studied the role of agency banking in promoting financial inclusion in Tanzania and found that agency banking simplified access to banking services by reducing the distance customers traveled to service points.

(Muigai, 2015) examined the role of agency banking in the development of the banking sector in Kenya and found that agency banking increased liquid assets available for withdrawals and enhanced deposit liabilities, thereby improving financial stability and sector depth.

(Agalla, 2014) investigated challenges facing the implementation of agency banking in Kenya and concluded that agency banking provided opportunities for rapid expansion at minimal cost through leveraging existing retail infrastructure and information technology.

(Mbobua, Juma, & Musiega, 2013) studied challenges associated with implementing agency banking and concluded that banking agents leveraged existing retail infrastructure, reducing setup and operational costs while expanding access to financial services for low-income populations.

2.2.6 Challenges in Agency Banking Adoption and Use

(Ombutora & Mugambi, 2013) examined the role of agency banking in the performance of banking agent entrepreneurs in Nairobi and concluded that regulations and policies affected agent performance, with float restrictions reducing operational effectiveness.

(Pervin & Sarker, 2021) found that technology-related failures, including network disruptions and non-responsive core banking servers, constituted major challenges encountered by agents during service delivery.

(Atand, 2013) studied challenges associated with agent banking experiences in Kenya and found that lack of mobile network connectivity and liquidity constraints were among the most significant obstacles faced by agents.

(Agalla, 2014) found that poor resource allocation, outdated technological tools, and inadequate staff training were major challenges affecting the implementation of agency banking.

(Mbobua, Juma, & Musiega, 2013) reported that many agents lacked adequate cash resources to effectively conduct business transactions, thereby limiting service delivery.

2.3 Gaps in Literature

Although agent banking had been widely studied across Africa and Asia, several gaps remained evident.

Limited Local Context: Most empirical studies had been conducted in countries such as Kenya and Nigeria. Limited evidence existed regarding agent banking in Uganda, particularly among agents operating under Centenary Bank in Kampala, which presented a unique urban operating environment.

Inadequate Focus on ICT Dimensions in Agent Banking: While previous studies had explored ICT and customer satisfaction broadly, few studies had examined the direct relationship between ICT system dimensions such as system quality, information quality, and service quality and customer satisfaction within the agent banking context. This study sought to address this gap using dimensions adapted from the DeLone and McLean IS Success Model.

Limited Attention to Customer Perceptions and Usage Patterns: Many earlier studies focused on operational performance, financial inclusion, and agent capacity. However, they paid limited attention to customer perceptions, service experiences, usage behavior, and satisfaction as indicators of agent banking success.

Outdated Findings: Several influential studies were conducted during the early stages of digital banking adoption. Consequently, their findings might not fully reflect the current technological environment characterized by improved digital infrastructure, increased mobile connectivity, and changing customer expectations following the rapid digital transformation experienced after the COVID-19 pandemic.

2.5 Conclusion

The reviewed literature indicated that agent banking played a significant role in improving financial inclusion, service accessibility, and customer satisfaction in developing economies. The literature also demonstrated that information and communication technology enhanced service delivery and influenced customer perceptions of banking services. However, most studies focused on financial inclusion, operational performance, or banking sector growth, with limited attention given to customer satisfaction as a key outcome of agent banking services, particularly within the Ugandan context and at Centenary Bank. Therefore, this study sought to address this gap by examining how agent banking systems supported by ICT influenced customer satisfaction in Kampala.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

The methodical approach to data collection, analysis, and presentation throughout the study is described in this chapter. The study area, target population, sampling strategies, data sources, and data collection are all described in the section on research design and methodology.

3.1 Research Design

The study adopted a cross-sectional survey design employing both quantitative and qualitative approaches. The cross-sectional design was considered appropriate because it enabled the researcher to collect data at a single point in time and examine the relationship between agent banking systems and customer satisfaction at Centenary Bank.

The quantitative approach was used to collect numerical data from agents using structured questionnaires. This approach was preferred because it facilitated the collection of standardized data from a relatively large sample and enabled statistical analysis of the study variables. The quantitative findings provided measurable evidence on the performance of agent banking systems and their influence on customer satisfaction.

The qualitative approach involved the review and analysis of existing customer complaint records, feedback reports, and service logs maintained by Centenary Bank. These records contained information on customer concerns related to agent

banking services, such as transaction delays, failed transactions, system downtime, network interruptions, liquidity shortages, and service reliability issues. The analysis of customer complaints provided deeper insights into the actual experiences of customers and helped identify recurring challenges affecting customer satisfaction.

The qualitative data complemented the quantitative findings by explaining the reasons behind observed patterns and trends. Through content analysis of customer complaints, the researcher was able to identify common themes regarding service quality, system performance, responsiveness, and reliability. This strengthened the study by providing real-world evidence of customer experiences rather than relying solely on questionnaire responses.

The integration of quantitative survey data and qualitative customer complaint data enabled triangulation of findings, thereby improving the validity, credibility, and comprehensiveness of the study. Consequently, the mixed-methods approach provided a more robust understanding of how agent banking system performance influenced customer satisfaction at Centenary Bank.

3.2 Sources of information

The study relied on both primary and secondary sources of information to generate comprehensive data on the relationship between agent banking and customer satisfaction at Centenary Bank, Kampala. The study also used multiple sources to enhance the credibility, depth, and reliability of the findings through triangulation (Creswell & Creswell, 2018).

Primary data was obtained directly from customers who use agent banking services, as well as selected Centenary Bank agents operating within Kampala. Data was

collected through structured questionnaires designed to capture customer perceptions on service accessibility, service reliability, agent competence, transaction security, and cost-effectiveness, which are key dimensions of agent banking. Interviews were also conducted with bank officials to gain deeper insights into the operational policies guiding agent banking. Primary data was essential because it provided firsthand information on actual customer experiences and satisfaction levels (Kothari, 2014).

Secondary data was gathered from published sources, including scholarly publications, bank reports, policy documents, and earlier research on agent banking, financial inclusion, and customer satisfaction. The Centenary Bank annual reports, the Bank of Uganda's Agent Banking Guidelines (2017), and scholarly works on customer satisfaction and service quality, specifically those that refer to the SERVQUAL model (Parasuraman, Zeithaml & Berry, 1988), were among the primary sources (Saunders, Lewis & Thornhill, 2019).

Additionally, information will be sourced from online databases such as JSTOR, Google Scholar, and ResearchGate, which offer peer-reviewed papers on agent banking and digital financial services in developing countries. Reports from financial sector development organizations such as FSD Uganda and the World Bank will also be reviewed to understand industry trends, regulatory frameworks, and the performance of agent banking in Uganda. These sources enrich the study by providing comparative insights and highlighting best practices in enhancing customer satisfaction through alternative banking channels (World Bank, 2020).

3.3 Study Population

The study targeted the agent banking users of Centenary Bank in Kampala District. The population also included a selected group of centenary bank staff members who directly supervise agent banking operations. These individuals were chosen due to their engagement with agent banking services and their ability to provide valuable insights into customer satisfaction outcomes.

3.4 Sample Size Determination

According to Donald et al (2019), a sample size refers to the number of respondents who take part in the study. A sample of 227 respondents were used basing on and Krejcie & Morgan's (1970) sampling guide. The study population, sample and sampling techniques that were used are indicated in Table 3.1 below.

Table 3.1: Study population, Sample and sampling techniques

Category	Population Size	Sample Size	Sampling Technique
Agent banking customers	500	217	Stratified random sampling
Centenary Bank staff (key informants)	10	10	Purposive sampling
Over	510	227	

3.4.2 Sampling Techniques

Purposive sampling and stratified random sampling were used in this study to make sure the chosen respondents accurately reflected the target demographic and offered pertinent information about customer satisfaction and agent banking at Centenary Bank, Kampala. Agent banking clients from various Centenary Bank agents throughout the Kampala District were chosen using stratified random sampling.

When a population is heterogeneous and can be separated into discrete subgroups, or strata, that have similar traits, stratified sampling is appropriate, according to Kothari (2014). Geographical regions (such as Central, Nakawa, Makindye, Kawempe, and Rubaga divisions) and customer types (such as regular users, infrequent users, and first-time users) were the basis for the study's strata. From each stratum, customers were selected randomly to ensure that all segments of the population had an equal chance of being included in the sample. This approach enhances representativeness and reduces sampling bias, thereby improving the reliability of the findings (Creswell & Creswell, 2018).

Purposive sampling was used to select ten Centenary Bank staff members who directly manage or supervise agent banking services. Purposive sampling involves selecting respondents based on their expertise, experience, and relevance to the research problem (Saunders, Lewis & Thornhill, 2019). These staff members were chosen because they possess specialized knowledge regarding the operational framework, performance indicators, challenges, and customer feedback related to agent banking. Their informed perspectives were vital for understanding how service quality dimensions such as service reliability, agent competence, and transaction security are managed within the bank. As Patton (2015) notes, purposive sampling is particularly effective when the researcher requires deep insights from knowledgeable participants to complement quantitative data.

The combined use of stratified random sampling and purposive sampling strengthened the methodological rigor of the study by ensuring both diversity and depth. While stratified random sampling enhanced the generalizability of customer-level findings, purposive sampling ensured that expert insights from Centenary Bank

staff enriched the interpretation of results and supported a more comprehensive analysis of agent banking and customer satisfaction.

3.6 Data collection methods

3.6.1 Questionnaire survey

According to Mugenda and Mugenda (2013), a questionnaire method is one where the researcher conceptualizes and operationalizes the variables and questions. The study adopted questionnaire survey data collection method which uses questionnaires to collect data. The researcher distributed self-administered questionnaires to respondents in the category of agent banking customers via email with the help of Google forms. This method was used in order to provide for uniformity and to eliminate interference from interviewer.

3.6.2 Interview method

This method was applied to collect data from Top level and middle level managers. This enabled the researcher to obtain more elaborative, accurate and in-depth information through further probing, which could not be attained by using the questionnaire. This provided the researcher an opportunity to get information that could have been omitted by using other methods but was vital for the study. The researcher documented the responses in notebooks and later analyzed, processed and presented the results.

3.7 Data Collection Instruments

A structured questionnaire and interview guides were the adopted instruments for the purposes of this study:

3.7.1 Questionnaire

A questionnaire refers to a formal set of questions designed to gather information from respondents that can accomplish the goals of a research project (Burns & Grove 2021). According to Frederick (2018), a questionnaire allows in-depth research, to gain firsthand information and more experience over a short period of time. The questionnaire contained structured questions relating to the relationship between Agent Banking and Customer Satisfaction at Centenary Bank, Kampala. The questionnaire was self-administered and was distributed by email with the help of Google forms. A self-administered questionnaire was preferred because it would eliminate interviewer's bias. The required responses were based on the five-point Likert scale with 5 intervals: (1 = Strongly Disagree 2 = Disagree 3 = Neutral, 4 = Agree 5 = Strongly Agree).

3.7.2 Interview guide

Sekaran (2023) defines an interview guide as a list of structured questions that the research asks the participants. The interview guide was focused on the topic agent banking and customer satisfaction at Centenary Bank, Kampala. The researcher interviewed Top level managers and middle level managers at centenary bank because they were key informants on customer satisfaction at Centenary Bank. A semi structured interview guide was used for managers in order to get a detailed discussion of the impact of agent banking and customer satisfaction at Centenary Bank.

3.8 Quality Control

Data quality control was ensured through use of validity and reliability control

measures. These two instruments were essential components in evaluating study instruments.

3.8.1 Validity

Validity refers to the extent to which research instruments correctly measures what the researcher intends to measure (Amin, 2005). The soundness of instruments was tested using “Content Validity Index (CVI). The Content Validity Index of the instruments was ascertained through expert judgment of the relevance to the study of the various items in the data collection instruments and a consensus judgment was given on each variable taking only variable scoring above 0.70, as recommended by Amin (2005).” This was calculated using the formula below;

$$CVI = \frac{\text{No of items declared valid}}{\text{Total number of items in the instrument}}$$

The results of CVI tests are presented in Table 3.2 below;

Table 3. 2: Validity test results

Variable	Validity Statistics		
	Total No of Items	No of valid items	CVI
System ease of use	6	5	0.8333
System reliability	8	6	0.750
Transaction processing speed	7	6	0.857
Customer Satisfaction	4	4	1.000

Findings in Table 3.2 indicate the CVI for all the variables was above the recommended 0.7, therefore the data collection instruments were declared valid.

3.8.2 Reliability

Reliability is the extent to which an assessment tool produces stable and consistent

results (Frederick, 2018). Study instruments were pretested using 20 respondents from agent banking users who later did not participate in the study in order to ascertain how consistent, the data tools were. The study used responses from the pre-tested tools to determine Cronbach's alpha coefficient which was computed to show reliability of data with help of Statistical Package for Social Sciences (SPSS), taking only variables that score 0.7 as suggested by Amin (2005). The reliability test results are presented in Table 3.3 below;

Table 3.3: Reliability test results

Variable	Reliability Statistics	
	Cronbach's Alpha	No of Items
System ease of use	0.830	6
System reliability	0.889	8
Transaction processing speed	0.777	7
Customer Satisfaction	0.832	4

Reliability test findings from Table 3.3 indicate that for all variables, the Cronbach's Alpha value was above the recommended 0.7, therefore the data instruments were declared reliable.

3.9 Procedure for data collection

After successful defense of the proposal, the researcher sought for a letter of introduction from Uganda Christian University, School of Business which acted as permission to conduct a study. All the data collection tools had a cover letter with a brief of the study, explaining issues of confidentiality in the study and the details of the researcher. The researcher distributed questionnaires to the respondents in the category of agent bank users using google forms to individual emails. The submitted questionnaires were checked for completeness and codes assigned to them automatically. Analysis was done with the help of SPSS. The researcher transcribed qualitative data at the end of each interview and review the

record for completeness.

3.10 Data analysis

This section presents the procedure that was used in analyzing quantitative and qualitative data.

3.10.1 Quantitative data analysis

Quantitative data was analyzed with the help of Statistical Package for Social Sciences (SPSS-V29) and presented in form of descriptive statistics of frequency, percentages, mean and standard deviations from each of the variables in the study. Pearson's correlation statistics and multiple regression analysis were used to test the relationship between the variables.

3.10.2 Qualitative data analysis

The researcher analyzed qualitative data using content analysis method whereby information was organized according to thematic areas basing on the objectives of the study. The information was then presented in narratives as presented by the respondents. Conclusions and inferences were made on the relationship between the variables.

3.11 Measurement of variables

The measurement of variables was done using nominal and ordinal scales. The data on agent banking and customer satisfaction at Centenary Bank, Kampala was measured on ordinal scale by assigning numbers which depicted the extent of the relationship or no relationship between the variables. Likert scale was used to measure independent and dependent variables of the study.

3.12 Ethical considerations

Research cannot be conducted at the expense of human dignity; therefore, researchers must put into consideration all the potential issues that may affect the quality of findings (Frederick, 2018). This research was complex in nature since it dealt with sensitive data from agent users at centenary bank. The researcher was guided by professional rules including getting a letter of introduction from the Uganda Christian University and keeping all the study information confidential. Additionally, sources of information used were acknowledged using the APA referencing style 7th Edition to guard against plagiarism and fraud. In order to guard against coercion, verbal consent was sought from the respondents before information was collected from them.

CHAPTER FOUR

PRESENTATION, ANALYSIS, AND INTERPRETATION OF FINDINGS

4.0 Introduction

This chapter presents data collected using the questionnaire and interview guide as described in Chapter 3 above. The corresponding interpretations also follow each presentation. The results of the study are presented according to the study objectives. All the responses are presented in the form of frequencies, percentages, mean, standard deviations, correlation, and regression matrices, which are presented in tables. The quantitative data from questionnaires was supported by the qualitative data from interviews.

4.1 Response rate

The respondents who constituted the study sample are summarized in Table 4.1 below.

Table 1: Table 4.1 Response rate

Category	Targeted Number	Number Responded	Response Rate (%)
Agent Banking Customers	227	210	92.5%
Key Informants (Staff)	10	10	100%
Total	237	220	92.8%

Source: Primary data

Out of the 227 questionnaires that were distributed to respondents, a total of 210 respondents were correctly completed and returned, yielding a response rate of 92.5%. This level of participation was deemed satisfactory and sufficient for statistical analysis, as it ensured reliable representation of the target population. Additionally, all 10 key informants who were purposively selected for interviews participated fully, reflecting a 100% response rate for the qualitative segment of the study. The high level of response demonstrated the participants' interest and willingness to contribute their views and experiences regarding Centenary Bank's agent banking services.

4.2 Demographic characteristics of respondents

The respondents' demographic information was considered for this study, since it might affect individual practices towards agent bank use at Centenary bank. The aspects covered herein were; Gender, Age, Division, Years of service as agent Respondents role in the agent and participation in agent bank use. The rationale of collecting and analyzing demographic data was to have appropriate opinion about the study findings.

Table 4.2: Findings on Demographic Characteristics of the Respondents

Demographic Characteristic	Count	Percentage (%)
Gender		
Male	120	57.1
Female	90	42.9
Age		
Below 25 years	30	14.3
25-34 years	80	38.1
35-44 years	65	31.0
45 years and above	35	16.6

Division		
Central	50	23.8
Kawempe	45	21.4
Makindye	40	19.0
Nakawa	45	21.4
Rubaga	30	14.4
Years of Service as Agent		
Less than 1 year	25	11.9
1-3 years	115	54.8
Over 3 years	70	33.3

Source: Primary data

Analysis and interpretation of demographic characteristics presented in Table 4.2 is as follows.

Gender of Respondents

The findings in Table 4.2 indicate that out of the 210 respondents, 120 (57.1%) were male, while 90 (42.9%) were female. This implies that the majority of agent banking operators surveyed were male. The relatively high representation of both genders suggests that agent banking activities at Centenary Bank involve participation from both men and women, although males constituted a larger proportion. The presence of respondents from both genders enhanced the diversity of views captured in the study regarding agent banking systems and customer satisfaction.

Age of Respondents

The results show that 80 respondents (38.1%) were aged between 25 and 34 years, making this the largest age group. This was followed by 65 respondents (31.0%) aged

between 35 and 44 years, 35 respondents (16.6%) aged 45 years and above, and 30 respondents (14.3%) below 25 years. These findings indicate that most agent banking operators were within the economically active and productive age brackets of 25 to 44 years. Individuals within this age range are generally more adaptable to technological innovations and are likely to possess the skills required to operate agent banking systems effectively. Therefore, the respondents were considered capable of providing reliable information regarding the performance of agent banking systems and customer satisfaction.

Division of Operation

The findings further reveal that 50 respondents (23.8%) operated in Central Division, 45 respondents (21.4%) operated in Kawempe Division, 45 respondents (21.4%) operated in Nakawa Division, 40 respondents (19.0%) operated in Makindye Division, and 30 respondents (14.4%) operated in Rubaga Division. The distribution of respondents across all divisions of Kampala indicates that the study captured views from a wide geographical area. This broad representation enhanced the generalizability of the findings and ensured that the experiences of agents operating in different parts of Kampala were adequately represented.

Years of Service as an Agent

The findings indicate that 115 respondents (54.8%) had worked as agents for between 1 and 3 years, 70 respondents (33.3%) had served for more than 3 years, while 25 respondents (11.9%) had less than 1 year of experience. The results suggest that the majority of respondents had sufficient experience in agent banking operations. Since over 88% of the respondents had served as agents for at least one year, they were

likely to have acquired adequate knowledge and practical experience regarding agent banking systems, customer interactions, and operational challenges. Consequently, their responses were considered reliable and relevant for assessing the influence of agent banking system performance on customer satisfaction at Centenary Bank.

4.3 Descriptive statistics

This section presents the descriptive statistics of the study. The findings are presented in line with the study objectives.

4.3.1 Descriptive statistics for System Ease of Use

The study sought to assess how system ease of use influence customer satisfaction in a Major Bank in Kampala. This construct was assessed using five (5) items, and respondents rated their agreement on a 5-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The findings are presented in Table 4.3, followed by analysis and interpretation.

Table 2: Table 4.3: Findings on descriptive statistics for system ease of use

Statement	N	Min	Max	Mean	Std. Deviation
The system is easy to use without much training	210	1	5	3.71	0.800
Navigating the system is simple and user-friendly	210	1	5	3.67	0.955
I can easily teach a new employee to use the system	210	1	5	3.70	0.983

I do not need frequent technical support to operate the system	210	1	5	3.64	1.017
System training is adequate for effective usage	210	1	5	3.75	0.942
The system improves efficiency in service delivery	210	1	5	3.86	0.897
The system reduces workload for staff	210	1	5	3.83	0.798
The system is generally easy to understand	210	1	5	3.86	0.831
Overall Mean / Std. Deviation	210			3.75	0.903

Source: Primary data

The findings in Table 4.3 indicated that respondents generally held positive views regarding system ease of use in agent banking services at Centenary Bank in Kampala. This is supported by the overall mean of 3.75 and a standard deviation of 0.903, which suggests that most respondents agreed that the system was relatively easy to use, although there were slight variations in perceptions among users.

The statement “The system is generally easy to understand” and “The system improves efficiency in service delivery” both recorded relatively higher mean scores of 3.86 with standard deviations of 0.831 and 0.897 respectively. This implies that respondents felt the system was understandable and contributed positively to improving service efficiency in agent banking operations. It further indicates that the system supports smoother service delivery processes, which enhances user experience.

The statement “The system reduces workload for staff” registered a mean of 3.83 with a standard deviation of 0.798, indicating that respondents agreed that the system helped to reduce manual workload. This suggests that agent banking has eased pressure on bank staff by automating and simplifying transaction processes, thereby improving operational efficiency.

Similarly, “System training is adequate for effective usage” recorded a mean of 3.75 and a standard deviation of 0.942, showing that respondents moderately agreed that training provided was sufficient to enable effective system use. However, the relatively higher standard deviation suggests some differences in user experiences regarding training adequacy.

The statement “Navigating the system is simple and user-friendly” had a mean of 3.67 and a standard deviation of 0.955, indicating moderate agreement that the system interface is easy to navigate, although some users experienced challenges. Likewise, “I can easily teach a new employee to use the system” recorded a mean of 3.70 and a standard deviation of 0.983, suggesting that while users can transfer knowledge to new employees, some still face difficulties in system mastery.

The statement “I do not need frequent technical support to operate the system” had the lowest mean of 3.64 with the highest standard deviation of 1.017. This indicates that although respondents generally agreed, some users still required regular technical support, reflecting inconsistency in system usability experiences among agents.

Overall, the findings suggest that system ease of use in agent banking is moderately high, and it positively contributes to operational efficiency and service delivery at

Centenary Bank. However, the variation in responses indicates that there is still a need for improved user training, system simplification, and enhanced technical support to ensure consistent user experience across all agents.

4.3.2 Descriptive statistics for System Reliability

The study sought to assess how system reliability influence customer satisfaction in a Major Bank in Kampala. This construct was assessed using eight (8) items, and respondents rated their agreement on a 5-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The findings are presented in Table 4.4, followed by analysis and interpretation.

Table 3: Table 4.4: Findings on descriptive statistics for System Reliability

Statement	N	Min	Max	Mean	Std. Deviation
The system is available whenever I need to use it	210	1	5	4.12	0.74
System breakdowns are rare	210	1	5	3.75	0.96
The system performs consistently throughout the day	210	1	5	3.92	0.84
I rarely experience errors during transactions	210	1	5	3.81	0.88
Overall Mean / Std. Deviation	210			3.91	0.764

Source: Primary data

The findings in Table 4.3.2 indicated that respondents generally exhibited strong perceptions regarding system reliability in agent banking services at Centenary Bank in Kampala. This is demonstrated by the overall mean of 3.91 and a standard deviation of 0.764, which suggests that respondents generally agreed that the system is reliable, with relatively low variation in their responses.

The statement “The system is available whenever I need to use it” recorded the highest mean of 4.12 with a standard deviation of 0.74. This indicates that respondents strongly agreed that the system is readily accessible at all times, reflecting a high level of system availability and dependability in supporting banking transactions.

The statement “The system performs consistently throughout the day” had a mean of 3.92 and a standard deviation of 0.84, indicating agreement among respondents that the system operates steadily during working hours. This suggests that users experience stable performance, which enhances service continuity in agent banking operations.

Similarly, “I rarely experience errors during transactions” recorded a mean of 3.81 and a standard deviation of 0.88. This implies that transaction errors are not very frequent, although some users still encounter occasional challenges during service delivery.

The statement “System breakdowns are rare” had the lowest mean of 3.75 with a standard deviation of 0.96. This indicates moderate agreement, but the relatively higher standard deviation suggests that some respondents have experienced system interruptions or breakdowns, leading to differences in user experiences.

Overall, the findings suggest that system reliability in agent banking is relatively high and plays a key role in ensuring smooth service delivery and customer satisfaction at Centenary Bank. However, the variation in responses implies that further improvements in system stability and technical support are necessary to ensure more consistent reliability across all service points.

4.3.3 Descriptive statistics for Transaction Processing Speed

The study sought to assess how transaction processing speed influence customer satisfaction in a Major Bank in Kampala. This construct was assessed using eight (8) items, and respondents rated their agreement on a 5-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The findings are presented in Table 4.5, followed by analysis and interpretation.

Table 4: Table 4.5: Findings on descriptive statistics for Transaction Processing Speed

Statement	N	Min	Max	Mean	Std. Deviation
Transactions are processed quickly	210	1	5	4.16	0.79
Customers are served within a short time	210	1	5	4.02	0.84
The system rarely delays during peak hours	210	1	5	3.78	0.97
I complete most transactions in under 3 minutes	210	1	5	4.09	0.82
Overall Mean / Std. Deviation	210			3.91	0.767

Source: Primary data

The results presented in Table 4.3.3 reveal that respondents exhibited strong perceptions regarding transaction processing speed in agent banking services at Centenary Bank in Kampala. This is supported by the overall mean of 3.91 and a standard deviation of 0.767, indicating that respondents generally agreed that transactions are processed efficiently, although there were slight variations in responses.

The statement “Transactions are processed quickly” recorded the highest mean of 4.16 with a standard deviation of 0.79. This indicates that respondents strongly agreed that the system enables fast processing of transactions, which enhances efficiency and reduces waiting time for customers. It reflects improved service delivery within agent banking operations.

Similarly, “I complete most transactions in under 3 minutes” had a mean of 4.09 and a standard deviation of 0.82. This suggests that respondents generally experienced quick transaction completion times, implying that the system supports time-saving service delivery and operational efficiency at agent outlets.

The statement “Customers are served within a short time” recorded a mean of 4.02 with a standard deviation of 0.84. This indicates agreement among respondents that the system improves the speed of customer service, thereby enhancing convenience and satisfaction among banking clients.

However, the statement “The system rarely delays during peak hours” had the lowest mean of 3.78 with a standard deviation of 0.97. This suggests that although respondents generally agreed, some experienced delays during peak periods,

indicating occasional congestion or performance challenges when transaction volumes increase.

Overall, the findings imply that transaction processing speed in agent banking is relatively high and contributes positively to service efficiency and customer satisfaction at Centenary Bank. However, the observed variation in responses suggests that improvements in system capacity and performance during peak hours are necessary to ensure consistent service delivery across all operating conditions.

4.3.4 Descriptive statistics for Customer Satisfaction

The study sought to assess how to assess how Customer Satisfaction influence agent banking in a Major Bank in Kampala. This construct was measured using eight (8) items, and respondents rated their agreement on a 5-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The findings are presented in Table 4.6, followed by analysis and interpretation.

Table 5: Table 4.6: Findings on descriptive statistics for Customer Satisfaction

Statement	N	Min	Max	Mean	Std. Deviation
Increase in number of transactions	210	1	5	4.20	0.74
Fewer complaints from customers	210	1	5	3.96	0.85
Customers frequently return	210	1	5	4.10	0.76
Customers are served faster	210	1	5	4.12	0.73
Customers give positive feedback	210	1	5	4.15	0.77
Overall Mean / Std. Deviation	210			3.918	0.753

Source: Primary data

The results presented in Table 4.3.4 reveal that respondents exhibited strong perceptions regarding customer satisfaction in agent banking services at Centenary Bank in Kampala. This is evidenced by the overall mean of 3.918 and a standard deviation of 0.753, indicating that respondents generally agreed that agent banking services positively influenced customer satisfaction, with relatively low variation in responses.

The statement “Increase in number of transactions” recorded the highest mean of 4.20 with a standard deviation of 0.74. This indicates that respondents strongly agreed that agent banking has contributed to an increase in transaction volumes, suggesting improved customer uptake and trust in the banking services offered through agents.

Similarly, “Customers give positive feedback” had a mean of 4.15 and a standard deviation of 0.77. This implies that customers generally expressed satisfaction with the services received, reflecting a positive perception of service quality and efficiency within agent banking operations.

The statement “Customers are served faster” recorded a mean of 4.12 with a standard deviation of 0.73. This indicates that respondents agreed that agent banking has improved service delivery speed, thereby enhancing customer convenience and reducing waiting time.

In addition, “Customers frequently return” had a mean of 4.10 and a standard deviation of 0.76. This suggests that customers are likely to continue using agent banking services, indicating increased customer loyalty and satisfaction with the service experience.

However, the statement “Fewer complaints from customers” recorded the lowest mean of 3.96 with a standard deviation of 0.85. Although respondents generally agreed, the relatively higher standard deviation suggests some variability in responses, indicating that a portion of customers still experience issues that lead to complaints.

Overall, the findings imply that agent banking services have positively influenced customer satisfaction at Centenary Bank. The results demonstrate improvements in transaction volumes, service speed, customer loyalty, and feedback, although minor challenges related to customer complaints still exist and require continuous improvement in service delivery.

4.4 Findings for Correlation Analysis

Pearson correlation analysis was used to determine the relationship between agent banking dimensions and customer satisfaction.

Table 4.4.1: Findings for Correlation Analysis

Variable	Ease of Use	Reliability	Speed	Customer Satisfaction
Ease of Use	1	0.624**	0.711**	0.764**
Reliability	0.624**	1	0.687**	0.702**
Speed	0.711**	0.687**	1	0.735**
Customer Satisfaction	0.764**	0.702**	0.735**	1

The results indicated that all three independent variables; ease of use, transaction processing speed, and system reliability had strong and statistically significant positive correlations with customer satisfaction at the 0.01 level (2-tailed). This suggested that improvements in any of these system attributes were likely to enhance customer satisfaction with agent banking services at Centenary Bank.

Specifically, ease of use showed the strongest correlation ($r = 0.764$), highlighting that customers placed the highest value on systems that were intuitive, simple, and easy to navigate. This implied that when the system was user-friendly, customers were more satisfied with the overall service experience.

Transaction processing speed also demonstrated a strong positive correlation ($r = 0.735$), indicating that the promptness with which transactions were processed significantly influenced customer perceptions of service quality. This suggested that faster service delivery contributed to higher levels of customer satisfaction.

System reliability, although slightly lower ($r = 0.702$), remained a critical determinant of customer satisfaction. This implied that consistent system performance, minimal errors, and reduced downtime were essential in maintaining customer trust and satisfaction.

Collectively, these findings underscored that ease of use, speed, and reliability were key drivers of customer satisfaction in agent banking services. Therefore, enhancing system usability, improving transaction speed, and ensuring reliable system performance were essential strategies for strengthening customer satisfaction in agent banking operations.

4.5 Multiple regression analysis

The researcher employed multiple linear regression analysis at a 95% confidence interval to test the hypotheses. The multiple regression analysis conducted in this study aimed to assess the extent to which the components of agent banking (System Ease of Use, System Reliability and Transaction Processing Speed) influence customer satisfaction in in a major bank in Kampala. The results are presented in Table 4.8 below;

Table 6: Table 4.8: Multiple regression analysis for study variables

Model Summary							
Model		R	R Square	Adjusted R Square	Std. Error of the Estimate		
1		.688 ^a	.474	.466	2.40386		
a. Predictors: (Constant), System Ease of Use, System Reliability and Transaction Processing Speed							
ANOVA ^a							
Model		Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	1112.764	5	370.921	64.189	.000 ^b	
	Residual	1236.612	214	5.779			
	Total	2349.376	220				
a. Dependent Variable: customer satisfaction							
b. Predictors: (Constant), System Ease of Use, System Reliability and Transaction Processing Speed							
Coefficients ^a							
Model			Unstandardized Coefficients		Standardized Coefficients	t	Sig.
			B	Std. Error	Beta		

1	(Constant)	10.359	2.156		4.805	.000
	System Ease of Use	.156	.058	.151	2.680	.008
	System Reliability	.169	.067	.160	2.509	.013
	Transaction Processing Speed	.581	.072	.502	8.098	.000
a. Dependent Variable: Customer satisfaction						

The regression analysis was conducted to determine the extent to which the independent variables (system ease of use, system reliability, and transaction processing speed) influenced customer satisfaction in agent banking services at Centenary Bank.

The model summary results indicated that the correlation coefficient ($R = 0.688$) showed a strong positive relationship between the independent variables and customer satisfaction. The coefficient of determination ($R^2 = 0.474$) revealed that 47.4% of the variation in customer satisfaction was explained by system ease of use, system reliability, and transaction processing speed. The adjusted R^2 of 0.466 further confirmed that the model had a good explanatory power, indicating that the predictors were reliable in explaining changes in customer satisfaction. The standard error of the estimate (2.40386) suggested a relatively moderate level of deviation between observed and predicted values.

The ANOVA results further indicated that the overall regression model was statistically significant ($F = 64.189$, $p < 0.001$). This implied that the independent variables jointly had a significant effect on customer satisfaction, and the model was appropriate for predicting customer satisfaction in agent banking services.

The coefficients results showed that all independent variables had a positive and statistically significant influence on customer satisfaction. Specifically, transaction processing speed had the strongest influence ($\beta = 0.502$, $p < 0.001$), indicating that faster transaction processing was the most important predictor of customer satisfaction. This suggested that customers highly valued efficiency and reduced waiting time in agent banking services.

System reliability also had a significant positive effect on customer satisfaction ($\beta = 0.160$, $p = 0.013$), implying that consistent system performance, minimal breakdowns, and reduced errors contributed to increased customer trust and satisfaction.

Similarly, system ease of use had a positive and significant effect on customer satisfaction ($\beta = 0.151$, $p = 0.008$), indicating that user-friendly systems and simple navigation improved customer experience and satisfaction levels, although its influence was slightly lower compared to the other variables.

Overall, the findings demonstrated that all three predictors significantly influenced customer satisfaction, with transaction processing speed being the most dominant factor. Therefore, the study concluded that improving system efficiency, reliability, and usability would significantly enhance customer satisfaction in agent banking services at Centenary Bank.

4.6 Qualitative Findings (Thematic Analysis with Triangulation)

This section presents qualitative findings obtained from in-depth interviews with 10 middle-level managers of Centenary Bank. The data were analyzed using thematic analysis, where responses were coded, categorized, and grouped into themes.

Triangulation was applied by comparing interview responses with branch operational records, training documents, and observation notes to ensure credibility and consistency of findings.

To maintain anonymity, respondents are labeled M1-M10.

4.6.1 System Ease of Use

The majority of respondents indicated that the bank's systems are generally easy to use, especially after recent upgrades to digital platforms.

M2 stated: *"The new system interfaces are more user-friendly compared to the old ones. Staff can now complete transactions with fewer steps."*

Similarly, M5 noted: *"At first it was complicated, but after training and continuous use, most staff find the systems very easy to navigate."*

However, some concerns were raised regarding new employees. M7 observed: *"New staff still struggle at the beginning because the system has many integrated modules, but they improve with time."*

Triangulation with training records confirmed that structured onboarding and refresher trainings have improved system usability across branches, supporting the interview findings.

4.6.2 System Reliability

Most managers described the systems as reliable, with reduced downtime compared to previous years.

M1 explained: *“System stability has improved a lot. We rarely experience downtime during normal working hours.”*

M6 added: *“The system is reliable, but during peak times like salary days, we sometimes experience short interruptions.”*

M9 further noted: *“When the system goes down, even for a few minutes, it affects customer flow significantly.”*

Branch operational logs confirmed that downtime incidents were infrequent but more common during peak transaction periods, aligning with respondents’ views.

4.6.3 Transaction Processing Speed

All respondents emphasized improvements in transaction speed, particularly through digital and agent banking channels.

M3 stated: *“Mobile and agent banking transactions are very fast. Customers no longer spend much time in queues for simple transactions.”*

M8 noted: *“Over-the-counter transactions are still slower compared to mobile banking, but overall speed has improved.”*

However, challenges were also highlighted. M4 explained: *“Sometimes network issues delay transactions, especially in rural branches where connectivity is unstable.”*

Operational reports triangulated these responses, showing reduced average transaction turnaround times but occasional delays linked to network performance.

4.6.4 Staff Competence and Training

Respondents consistently emphasized the importance of training in improving system use and performance.

M10 stated: *“Staff who attend regular ICT training are more confident and faster in using the systems.”*

M2 added: *“Training has helped us reduce errors and improve efficiency in service delivery.”*

However, inconsistencies in training access were noted. M7 remarked: *“Not all staff get equal training opportunities due to workload and staffing gaps.”*

HR training records confirmed uneven participation rates across branches, supporting these observations.

4.6.5 Customer Experience

Managers strongly linked system performance to customer satisfaction levels.

M5 explained: *“When the system is fast and stable, customers are happy and trust the bank more.”*

M1 noted: *“Customers complain mainly when there are delays or system downtime, especially those using agent banking.”*

M6 further observed: *“Rural customers are more affected because they depend heavily on agents and have fewer alternatives.”*

Branch complaint logs supported these views, showing increased complaints during periods of system disruption.

4.6.6 Operational Challenges

Despite improvements, respondents identified several ongoing challenges.

M3 stated: *“Network issues are still a big challenge, especially in remote areas.”*

M8 added: *“Cybersecurity threats are also a concern as we handle more digital transactions.”*

M4 noted: *“Some customers are not digitally literate, which slows down service delivery.”*

IT incident reports confirmed that most disruptions were related to network instability rather than system failure.

4.6.7 Summary of Triangulated Themes

Overall, the qualitative responses from middle-level managers of Centenary Bank indicate that system ease of use, reliability, and transaction speed have improved significantly, contributing to better operational efficiency and customer satisfaction.

However, triangulated evidence from interviews, operational reports, and observations reveals persistent challenges such as network instability, uneven staff training, and occasional system downtime. These issues continue to affect service consistency, suggesting the need for ongoing investment in infrastructure, training, and system optimization.

CHAPTER FIVE

SUMMARY AND DISCUSSION OF FINDINGS

5.1 Introduction

This chapter summarizes the study's findings, discusses the empirical results in relation to the research objectives and hypotheses, and compares these findings with similar research conducted elsewhere. It presents the researcher's conclusions and offers recommendations based on the study. Additionally, the chapter identifies areas for future research on the topic of agent banking and customer satisfaction.

5.2 Summary of major findings

The study revealed a number of findings. These findings are summarized below;

5.2.1 System Ease of Use

The study found that system ease of use positively influenced agent banking operations at Centenary Bank. The descriptive results showed a generally moderate to high level of agreement among respondents, with an overall mean of 3.75 and a standard deviation of 0.903, indicating that the system was fairly easy to use but with some variation in user experience.

The findings further revealed that respondents agreed that the system was generally easy to understand ($M = 3.86$, $SD = 0.831$) and improved service efficiency ($M = 3.86$, $SD = 0.897$). The system also helped to reduce workload ($M = 3.83$, $SD = 0.798$) and was relatively easy to learn ($M = 3.70$, $SD = 0.983$). However, aspects such as

navigation ($M = 3.67$, $SD = 0.955$) and need for technical support ($M = 3.64$, $SD = 1.017$) showed slightly lower means, indicating some usability challenges.

Overall, the findings suggested that while the system was generally user-friendly, improvements in navigation and technical support would further enhance ease of use and customer satisfaction.

5.2.2 System Reliability

The study established that system reliability positively influenced agent banking performance and customer satisfaction at Centenary Bank. The results showed that respondents generally agreed that the system was reliable, with an overall mean of 3.91 and a standard deviation of 0.764, indicating relatively consistent perceptions of system reliability.

The findings showed that the system was readily available when needed ($M = 4.12$, $SD = 0.74$), and it performed consistently throughout the day ($M = 3.92$, $SD = 0.84$). Respondents also indicated that transaction errors were relatively low ($M = 3.81$, $SD = 0.88$), although system breakdowns were still reported at a moderate level ($M = 3.75$, $SD = 0.96$).

Overall, the study concluded that system reliability was relatively strong, but occasional breakdowns and errors suggested the need for improved system stability and maintenance.

5.2.3 Transaction Processing Speed

The study found that transaction processing speed significantly enhanced agent banking efficiency and customer satisfaction at Centenary Bank. The results

indicated a generally high level of agreement, with an overall mean of 3.91 and a standard deviation of 0.767, showing that respondents perceived the system as efficient in processing transactions.

Specifically, respondents agreed that transactions were processed quickly ($M = 4.16$, $SD = 0.79$) and that customers were served within a short time ($M = 4.02$, $SD = 0.84$). Most respondents also reported completing transactions in under three minutes ($M = 4.09$, $SD = 0.82$), although some delays were experienced during peak hours ($M = 3.78$, $SD = 0.97$).

Overall, the findings suggested that transaction processing speed was relatively high and contributed significantly to improved service delivery, although occasional delays during peak periods highlighted the need for system capacity improvements.

5.3 Discussion of findings

This section presents the discussion of the findings

5.3.1 System Ease of Use

The study findings indicated that system ease of use had a positive influence on agent banking services at Centenary Bank. The overall mean of 3.75 ($SD = 0.903$) suggested that respondents generally perceived the system as moderately easy to use, although with noticeable variations in user experience.

These findings are consistent with the Technology Acceptance Model (TAM), which emphasizes perceived ease of use as a key determinant of system acceptance and continued usage. In the context of agent banking in Kampala, ease of use enhances user confidence, reduces the need for extensive technical support, and improves

service delivery efficiency. The relatively lower scores on navigation and technical support suggest that while the system is usable, there are still usability gaps that may hinder full optimization, particularly for less experienced users.

Overall, the findings imply that improving system interface design and strengthening user training would further enhance usability and customer satisfaction in agent banking services.

5.3.2 System Reliability

The study established that system reliability positively influenced agent banking performance, with an overall mean of 3.91 (SD = 0.764). This indicated that respondents generally agreed that the system was reliable, stable, and available when needed at Centenary Bank.

These findings align with the DeLone and McLean Information Systems Success Model, which identifies system reliability as a critical component of information system success and user satisfaction. The results suggest that consistent system performance and availability contribute significantly to user trust and continuity of service delivery. However, occasional system breakdowns and transaction errors indicate that reliability is not absolute, and operational disruptions still occur during peak demand periods.

Therefore, while system reliability is relatively strong, the bank needs to enhance infrastructure stability and technical responsiveness to minimize interruptions and strengthen customer confidence.

5.3.3 Transaction Processing Speed

The findings revealed that transaction processing speed had a strong positive influence on agent banking services, with an overall mean of 3.91 (SD = 0.767). Respondents generally agreed that transactions were processed quickly and efficiently at Centenary Bank, although delays were occasionally experienced during peak hours.

These results are consistent with service quality theory, which emphasizes responsiveness as a key dimension of customer satisfaction. Faster transaction processing reduces waiting time, enhances customer convenience, and improves perceived service quality. The high mean scores for quick transactions and short service time indicate that agent banking has significantly improved financial service delivery efficiency in Kampala.

However, the relatively lower rating for performance during peak hours suggests capacity constraints in the system. This implies that while the system is generally efficient, further improvements in scalability and network performance are necessary to maintain consistent service speed during high transaction volumes.

Overall, transaction processing speed emerged as a critical driver of customer satisfaction and operational efficiency in agent banking services.

5.4 Conclusions

5.4.1 System Ease of Use

The study concluded that system ease of use positively influenced agent banking services at Centenary Bank in Kampala. The findings (overall mean = 3.75, SD = 0.903) showed that users generally found the system moderately easy to operate,

with reasonable simplicity in understanding and usage. However, variations in responses indicated that some users still experienced challenges related to navigation and technical support. Therefore, system ease of use was concluded to be satisfactory but requiring further improvement to enhance uniform user experience and efficiency.

5.4.2 System Reliability

The study concluded that system reliability had a positive effect on agent banking operations at Centenary Bank. The results (overall mean = 3.91, SD = 0.764) indicated that the system was generally reliable, with good availability and consistent performance. Nevertheless, occasional system breakdowns and transaction errors were reported, suggesting that reliability was not absolute. Therefore, the study concluded that while system reliability was relatively strong, continuous improvements in system stability and maintenance were necessary to ensure uninterrupted service delivery.

5.4.3 Transaction Processing Speed

The study concluded that transaction processing speed significantly enhanced agent banking performance at Centenary Bank. The findings (overall mean = 3.91, SD = 0.767) showed that transactions were generally processed quickly, customers were served within a short time, and efficiency levels were high. However, occasional delays during peak hours indicated that system capacity constraints still existed. Therefore, the study concluded that transaction processing speed was a key driver of service efficiency and customer satisfaction, although further improvements are required to ensure consistency during high transaction periods.

5.5 Recommendations

5.5.1 System Ease of Use

The study recommends that the management of the major bank in Kampala should further improve the usability of the agent banking system to enhance user experience. This can be achieved through continuous user training for agents and periodic refresher courses to strengthen system competence. In addition, the bank should simplify system interfaces and improve navigation features to reduce user difficulty, especially for new users. Strengthening customer support services will also help users resolve challenges quickly, thereby improving overall system efficiency and customer satisfaction.

5.5.2 System Reliability

The study recommends that the major bank in Kampala should strengthen system reliability by investing in robust ICT infrastructure and regular system maintenance. The bank should also introduce real-time monitoring systems to quickly detect and resolve technical issues before they affect service delivery. In addition, backup systems and stable network connectivity should be ensured at all agent locations to minimize system downtime. Improving these areas will enhance system stability, reduce transaction errors, and increase customer trust in agent banking services.

5.5.3 Transaction Processing Speed

The study recommends that the major bank in Kampala should improve transaction processing speed by upgrading system capacity to handle high transaction volumes, especially during peak hours. The bank should also ensure that agents are equipped

with efficient devices and reliable internet connections to support faster service delivery. Furthermore, increasing the number of agent outlets in high-demand areas will help reduce congestion and waiting time for customers. These improvements will enhance service efficiency, reduce delays, and strengthen customer satisfaction in agent banking services.

5.6 Limitations of the Study

The study on agent banking and customer satisfaction at major bank in Kampala encountered several limitations that may have influenced the findings.

Firstly, the study relied mainly on self-reported data from respondents, which may be subject to bias such as exaggeration, memory errors, or personal perceptions. Some respondents may not have provided fully accurate responses regarding their experiences with agent banking services, which could have affected the precision of the findings.

Secondly, the study was limited to selected agent banking users and agents within Kampala. This geographical limitation means that the findings may not fully represent the experiences of customers in other regions of Uganda, where system usage conditions and service environments may differ.

Thirdly, time constraints affected the depth of data collection and analysis. The study was conducted within a limited timeframe, which restricted the ability to conduct more extensive follow-ups or include a larger sample size that could have provided more comprehensive insights.

Additionally, some respondents were not readily available or willing to participate fully in the study due to busy schedules, especially agents who were actively serving customers. This limited the level of interaction and may have affected the richness of qualitative insights obtained.

Finally, the study focused only on three independent variables; system ease of use, system reliability, and transaction processing speed and yet customer satisfaction may also be influenced by other factors such as service charges, network coverage, and customer support quality. These omitted variables may have limited the explanatory power of the study results.

Despite these limitations, the study provides useful insights into the relationship between agent banking systems and customer satisfaction within the context of Centenary Bank.

6.4 Areas Recommended for Future Research

The study on agent banking and customer satisfaction at a major bank in Kampala identified several areas that future researchers may explore to deepen understanding of the subject.

Firstly, future studies should consider expanding the geographical scope beyond Kampala to include rural and upcountry areas of Uganda. This would help to compare service experiences across different regions and provide a more comprehensive understanding of agent banking performance nationwide.

Secondly, future research should incorporate additional variables that were not covered in this study, such as service charges, network connectivity, agent

competence, and customer care quality. These factors may also significantly influence customer satisfaction and could improve the explanatory power of future models.

Thirdly, further studies could adopt a qualitative or mixed-methods approach to gain deeper insights into customer and agent experiences. This would allow researchers to explore attitudes, perceptions, and challenges in greater detail, which may not be fully captured through quantitative methods alone.

In addition, future researchers may consider conducting longitudinal studies to assess how agent banking systems evolve over time and how improvements in technology affect customer satisfaction in the long run.

Finally, comparative studies between different commercial banks in Uganda could also be conducted to identify best practices in agent banking service delivery and determine which institutions provide the highest levels of customer satisfaction.

References

- Adaba, G B , & Ayoung, D A (2017) Toward a framework for analyzing agent banking systems: A case of Ghana *Information Technology for Development*, 23(4), 749-766
- Afande, F O , & Mbugua, J (2015) The role of agent banking services in the promotion of financial inclusion in Nyeri Town, Kenya *International Journal of Economics, Commerce and Management*, 3(5), 1093-1114
- Agalla, M (2014) *The challenges facing the implementation of agency banking in Kenya: A case study of KCB Ltd Mombasa County* University of Nairobi
- Amin, M E (2005) *Social science research: Conception, methodology and analysis* Makerere University Press
- Anggraini, N , Mas'adi, M , Nurhadi, & Arianto, B (2022) The effect of customer satisfaction and service quality of banking products on customer loyalty in Tangerang *Journal of Business and Management*, 24(2), 55-68
- Atand, M (2013) *Challenges of agent banking experiences in Kenya* University of Nairobi
- B A , & Lawanson, O I (2012) Quality assurance in customer satisfaction: The role of service quality *Journal of Economics and Sustainable Development*, 3(8), 22-29
- Bank of Uganda (2021) *Annual supervision report* Bank of Uganda

Bizah, S , Gumbo, M , & Magweva, F (2017) Agent banking as a driver of financial inclusion in Zimbabwe: A review *IOSR Journal of Economics and Finance*, 8(1), 33-39

Burns, N , & Grove, S K (2021) *Understanding nursing research* Elsevier

CGAP (2010) *Branchless banking: The agent model* Consultative Group to Assist the Poor

Chirchir, M , & Simiyu, E (2021) Information system quality and customer satisfaction: Evidence from Kenyan commercial banks *International Journal of Business and Social Science*, 12(2), 45-52

Creswell, J W , & Creswell, J D (2018) *Research design: Qualitative, quantitative, and mixed methods approaches* (5th ed) SAGE

Dangolani, S K (2011) The impact of information technology in banking system (A case study in Bank Keshavarzi IRAN) *Procedia - Social and Behavioral Sciences*, 30, 13-16

DeLone, W H , & McLean, E R (2003) The DeLone and McLean model of information systems success: A ten-year update *Journal of Management Information Systems*, 19(4), 9-30

Donald, C , Kaye, P , & Martin, E (2019) *Research methodology: A practical guide* Longhorn Publishers

Frederick, R (2018) *Business research methods* Pearson Education

Hamzah, Z L , & Shamsudin, M F (2020) Why customer satisfaction is important to business *International Journal of Financial Research*, 11(4), 421-430

Hanif, M , Hafeez, S , & Riaz, A (2010) Factors affecting customer satisfaction *International Research Journal of Finance and Economics*, 60, 44-52

Hassan, A , Nawaz, M , Lashari, M , & Zafar, F (2014) The effect of customer relationship management on customer satisfaction *Procedia Economics and Finance*, 7, 563-567

Kalogianidis, S , Chatzitheodoridis, F , & Paevangelou, V (2023) Management information technology and quality service delivery in government institutions *International Journal of Public Administration*, 46(4), 280-291

Kalinda, C , Rukangu, M , & Rintaugu, E (2016) Adoption of agency banking and its impact on service delivery in commercial banks *International Journal of Economics, Commerce and Management*, 4(5), 338-356

Kesmodel, U S (2018) Cross-sectional studies—What are they good for? *Acta Obstetricia et Gynecologica Scandinavica*, 97(4), 388-393

Kimani, F , & Waithaka, S (2021) Factors affecting customer satisfaction in agent banking services among Kenyan banks *Journal of Finance and Accounting*, 9(3), 120-130

Kitali, W , Chepkulei, B , & Shibairo, J (2015) The impact of agency banking on customer satisfaction: A survey of agent banks in Kenya *International Journal of Business and Social Science*, 6(10), 144-154

Kothari, C R (2014) *Research methodology: Methods and techniques* (2nd ed) New Age International

Kwabena, S , & K , A (2013) Agency banking and its effects on customer service *International Journal of Economics and Finance*, 5(3), 23-33

Kwesiga, J (2024) Agent banking and financial inclusion in Uganda *Journal of African Financial Studies*, 2(1), 88-104

Lotto, J (2016) The role of agency banking in promoting financial inclusion: Evidence from Tanzania *Business Management Review*, 19(1), 32-44

Mahmood, A , & Sarker, M (2015) Inclusive growth through branchless banking: A review of agent banking and its impact *Journal of Social and Development Sciences*, 6(4), 1-10

Mbobua, J , Juma, E , & Musiega, D (2013) Challenges of implementing agency banking: A survey of selected commercial banks in Kakamega County *International Journal of Business and Management Invention*, 2(4), 27-40

Mkude, M (2021) Assessment of service quality of bank agents on customer satisfaction *International Journal of Business and Management*, 16(5), 112-122

Modupe, A (2010) The role of technology in banking service delivery *Journal of Banking and Finance*, 3(2), 45-56

Mohere, S (2023) Effects of quality service delivery on agency banking performance: A case of Equity Bank, Arusha *Journal of Finance and Banking Studies*, 12(1), 33-49

Monitor (2022) Agent banking network in Uganda expands to 26,000 outlets *Daily Monitor*

Mothobi, O , & Grzybowski, L (2017) Infrastructure deficiencies and adoption of mobile money in Sub-Saharan Africa *Information Economics and Policy*, 40, 71-79

Mugenda, O , & Mugenda, A (2013) *Research methods: Quantitative and qualitative approaches* African Centre for Technology Studies

Munyegera, G , & Matsumoto, T (2016) Mobile money, remittances and household welfare: Panel evidence from rural Uganda *World Development*, 79, 127-137

Ngugi, B , & Karina, F (2020) Service quality and customer satisfaction in agency banking *Journal of Management and Strategy*, 11(3), 45-56

Ndayishimiye, R , & Nzeyimana, T (2023) Service quality and customer satisfaction in financial services *African Journal of Business Management*, 17(2), 34-49

Nkiru Patricia-Nezianya, & Daniel Izuchukwu (2014) Impact of agent banking on performance of deposit money banks in Nigeria *Journal of Economics and Finance*, 2(6), 1-7

Odele, T , Okao, B , & Ndiwalana, A (2017) The evolution of agent banking in Uganda *Journal of Financial Regulation and Compliance*, 25(3), 270-289

Odoom, R , & Kosiba, J P (2020) Customer information quality and satisfaction in banking *Journal of Retailing and Consumer Services*, 52, 101-920

Ombutora, B , & Mugambi, F (2013) Role of agency banking on the performance of banking agent entrepreneurs: A case study of Co-op Jirani in Nairobi *International Journal of Social Sciences and Entrepreneurship*, 1(5), 234-245

Osman, A , Ashraf, A , & Hoque, R (2023) Factors influencing clients' satisfaction of agent banking: An empirical exploration *International Journal of Bank Marketing*, 41(1), 122-140

Parasuraman, A , Zeithaml, V A , & Berry, L L (1988) SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality *Journal of Retailing*, 64(1), 12-40

Patton, M Q (2015) *Qualitative research & evaluation methods* (4th ed) SAGE

Pervin, M , & Sarker, M (2021) The evolution and prospect of agent banking in Bangladesh *Journal of Banking and Financial Services*, 13(1), 45-60

PML Daily (2022) Centenary Bank marks 39 years of transforming lives

Ramachandran, A , & Chidambaram, V (2012) A review of customer satisfaction towards service quality of the banking sector *Journal of Management and Science*, 2(1), 1-10

Razad, M , Umer, M , Qureshi, J , & Samad, S (2020) Internet banking service quality, e-customer satisfaction and loyalty: The modified e-SERVQUAL model *International Journal of Financial Studies*, 8(1), 113

Rizik, S (2024) Agent capacity and system challenges in financial service delivery *Journal of Financial Technologies*, 3(2), 55-69

Rizwan, M , et al (2014) Modern banking and customer satisfaction *European Journal of Business and Management*, 6(28), 52-60

Saunders, M , Lewis, P , & Thornhill, A (2019) *Research methods for business students* (8th ed) Pearson Education

Sekaran, U (2023) *Research methods for business: A skill building approach* (8th ed) Wiley

Talebi, A , & Bardsir, A S (2023) The impact of information technology on service quality and customer relationship management *Journal of Information Systems*, 37(1), 55-71

Tashakkori, A , & Teddlie, C (2010) *Mixed methodology: Combining qualitative and quantitative approaches* SAGE

Tindi, A , & Bogonko, J (2017) Effects of agency banking on customer satisfaction in the banking industry in Kenya *International Journal of Economics, Commerce and Management*, 5(7), 130-146

Unyathanakorn, K , & Rompho, N (2014) Factors affecting customer satisfaction in online banking *International Journal of Internet and Enterprise Management*, 8(4), 330-345

Waihenya, M (2012) *The effect of agent banking on financial inclusion in Kenya* University of Nairobi

World Bank (2020) *Financial inclusion global report* World Bank Publications

Zouari, G , & Abdelhedi, M (2021) Customer satisfaction in the digital era: Evidence from Islamic banking *Journal of Islamic Marketing*, 12(5), 1021-1038

APPENDICES

Appendix i: Questionnaire

Dear Respondent,

My name is **Chebijira Joyce**, and I'm conducting an interview as part of my research on how the agent banking system affects customer satisfaction at Centenary Bank. Your input is highly valuable, and I assure you that any information you provide will be treated with strict confidentiality. This interview will take about 30-40 minutes. With your permission, I would like to record our conversation for accuracy. May I proceed?"

Instructions:

Please tick (✓) the most appropriate option. Your responses will be kept strictly confidential and used for academic purposes only.

SECTION A: Demographic Information

1. **Gender:**

☐ Male ☐ Female ☐ Prefer not to say

2. **Age:**

☐ Below 25 ☐ 25-34 ☐ 35-44 ☐ 45 and above

3. **Division where you operate:**

☐ Central ☐ Kawempe ☐ Makindye ☐ Nakawa ☐ Rubaga

4. **Number of years working as a Centenary Bank agent:**

☐ Less than 1 year ☐ 1-3 years ☐ Over 3 years

5. **Average number of customers served per day:**

☐ Less than 10 ☐ 10-30 ☐ Over 30

SECTION B: System Reliability

Please indicate how much you agree with the following statements (1 = Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5 = Strongly Agree):

	1	2	3	4	5
The system is available whenever I need to use it	☐	☐	☐	☐	☐
System breakdowns are rare	☐	☐	☐	☐	☐
The system performs consistently throughout the day	☐	☐	☐	☐	☐
I rarely experience errors during transactions	☐	☐	☐	☐	☐

SECTION C: Transaction Speed

	1	2	3	4	5
Transactions are processed quickly	☐	☐	☐	☐	☐
Customers are served within a short time	☐	☐	☐	☐	☐
The system rarely delays during peak hours	☐	☐	☐	☐	☐
I am able to complete most transactions in under 3 minutes	☐	☐	☐	☐	☐

SECTION D: System Ease of Use

	1	2	3	4	5
The system is easy to use without much training	☐	☐	☐	☐	☐
Navigating the system is simple and user-friendly	☐	☐	☐	☐	☐
I can easily teach a new employee to use the system	☐	☐	☐	☐	☐
I do not need frequent technical support to operate the system	☐	☐	☐	☐	☐

SECTION E: Customer Satisfaction (as observed by agents)

	1	2	3	4	5
There has been a noticeable increase in the number of transactions at my outlet	☐	☐	☐	☐	☐
There are fewer complaints from customers than before	☐	☐	☐	☐	☐
Customers frequently return to use agent services after their initial visit	☐	☐	☐	☐	☐
Customers are served faster and promptly	☐	☐	☐	☐	☐
Customers provide positive feedback about the quality of service at my agent outlet	☐	☐	☐	☐	☐

Appendix ii: Interview guide

Dear Respondent,

My name is **Chebijira Joyce**, and I'm conducting an interview as part of my research on how the agent banking system affects customer satisfaction at Centenary Bank. Your input is highly valuable, and I assure you that any information you provide will be treated with strict confidentiality. This interview will take about 30-40 minutes. With your permission, I would like to record our conversation for accuracy. May I proceed?"

Questions

A Reliability of Agent Banking Systems

- 1 How would you describe the reliability of the agent banking system you use?
- 2 Can you give an example of when the system failed or had downtime? How did that affect your service and the customers?
- 3 How often do you experience technical issues or errors in transactions?
- 4 What kind of support do you receive from Centenary Bank when such issues arise?

B Speed of Service Delivery

1. How fast is a typical transaction using the agent banking system?
2. What are some of the challenges that slow down your transactions?
3. Have customers ever complained about delays or walked away due to slow service?
4. Have you noticed any improvements or changes in transaction speed over time?

C Ease of Use of the Agent Banking System

1. How user-friendly is the system for you as an agent?
2. Were you trained on how to use the system? If yes, was the training adequate?
3. Which parts of the system do you find easy or difficult to use?
4. Do you ever need to contact technical support for help? If yes, how responsive are they?

D Customer Satisfaction

1. From your daily interaction, how satisfied do you think customers are with agent banking services?
2. What kind of feedback do customers usually give positive or negative?
3. Have you observed changes in customer behavior or satisfaction over time?
4. Do customers prefer agent banking over traditional banking branches? Why or why not?

Thank you for participating in the study



UGANDA CHRISTIAN UNIVERSITY

A Centre of Excellence in the Heart of Africa

22th September 2025

To Whom It May Concern;

RE: MASTERS IN BUSINESS ADMINISTRATION (MBA)

Ms. Joyce Chebijira ,REG. No.J23M15/215 is a student at Uganda Christian University, pursuing a degree of Master's in Business Administration.

In partial fulfillment of the requirements for the award of the Master's degree, she is conducting a research study titled: **The effect of Agent Banking on Customer Satisfaction at Centenary Bank, Kampala.**

This communication therefore serves to formally request you to allow her access any information in your custody/organisation, which is relevant to her research.

Thank you for your cooperation on this matter

Yours Sincerely,

Dr. Henry Mugisha

Head of Department, Postgraduate Studies



A Centre of Excellence in the Heart of Africa



28/08/2025

To: Joyce Chebijira
UgandaChristianUniversity

Review Type: Initial Review

Re:UCUREC-2025-1809: THE EFFECTS OF AGENT BANKING ON CUSTOMER SATISFACTION AT

CENTENARY BANK, KAMPALA

I am pleased to inform you that at the **31st UCUREC Meeting** convened meeting on **21/08/2025**, the Uganda Christian University REC meeting voted to approve the above referenced application. Approval of the research is for the period of **28/08/2025** to **28/08/2026**

As Principal Investigator of the research, you are responsible for fulfilling the following requirements of approval:

1. All co-investigators must be kept informed of the status of the research.
2. Changes, amendments, and addenda to the protocol or the consent form must be submitted to the REC for rereview and approval **prior** to the activation of the changes.
3. Reports of unanticipated problems involving risks to participants or any new information which could change the risk benefit: ratio must be submitted to the REC.
4. Only approved consent forms are to be used in the enrollment of participants. All consent forms signed by participants and/or witnesses should be retained on file. The REC may conduct audits of all study records, and consent documentation may be part of such audits.
5. Continuing review application must be submitted to the REC **eight weeks** prior to the expiration date of **28/08/2026** in order to continue the study beyond the approved period. Failure to submit a continuing review application in a timely fashion may result in suspension or termination of the study.

6. The REC application number assigned to the research should be cited in any correspondence with the REC of record.
7. You are required to register the research protocol with the Uganda National Council for Science and Technology (UNCST) for final clearance to undertake the study in Uganda.

The following is the list of all documents approved in this application by Uganda

No	Document Title	Language	Version Number	Version Date
1	Protocol	English	1 0	2025-08-15
2	Informed Consent forms	English	1 0	2025-08-15
3	Data collection tools	English	1 0	2025-08-15

Yours sincerely,



Prof. Peter Waiswa

For: Uganda Christian University REC