THE RELATIONSHIP BETWEEN CASH FLOW MANAGEMENT AND EMPLOYEE SATISFACTION
A CASE STUDY OF CROWN BEVERAGES LIMITED

BY
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A RESEARCH REPORT SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF A BACHELORS DEGREE OF BUSINESS STATISTICS OF MAKERERE UNIVERSITY.

2017
DECLARATION

I declare that this report “the relationship between cash flow management and employee satisfaction” is my original work out of my efforts and has never been presented in any institution of learning for any award.

Signature: ................................ Date: 13/09/17

OKWIR EMMY OGULE
APPROVAL

This is to certify that this research report has been carried out under my supervision and it is ready for submission to the board of examiners.

MS KOMUHENDO MIRIAM
SUPERVISOR

Signature ..................................................................................

Date .................................................. 13th / 09 / 2017
DEDICATION

This report is dedicated to my lovely parents Mr Dick Olwal Flirts & Mrs Joyce Rebecca Olwal and to my brothers and sisters Marc, Miriam, Daphine, Peace and Winnie.
ACKNOWLEDGEMENT

I wish to express my gratitude to the following people, for their direct or indirect contribution towards the successful completion of this treatise:-

God Almighty, who is the source of the breath I take for his Grace and Mercy and has loved to see me through this level.

This study could not have been successful without the assistance, support and co-operation of many individuals and institutions. Therefore, with everlasting gratitude, My heartfelt appreciation goes to my dear family members Dad and Mum Mr. & Mrs. Dick Flirts Olwal for their spiritual, financial and parental care all through my life and studies, my brothers and sisters Marc, Miriam, Daphine, Peace, Winnie, David, Olive, Stephen and my brother-in-law Denis for their love and support.

I greatly again extend my sincere appreciation to my supervisor Ms. Komuhendo Miriam for her tireless support and the professional manner in which she guided me through this study. Without her motivation and encouragement this research would not have been completed.

I also thank the management of Crown Beverages Limited for giving me the necessary information and being cooperative.

Great thanks to these friends who have supported me emotionally, spiritually and academically; Collins, Godfrey, Mary, Mercy, Tony, Nathan, Sarah, Robinah, Martin and others who are not mentioned here.
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<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>ERP</td>
<td>Enterprise Resource Planning</td>
</tr>
<tr>
<td>SCS</td>
<td>Scientific Certification Systems</td>
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<tr>
<td>MUK</td>
<td>Makerere University</td>
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<tr>
<td>CBL</td>
<td>Crown beverages Ltd</td>
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<tr>
<td>BBS</td>
<td>Bachelor of Science in Business Statistics</td>
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ABSTRACT

The overall aim of the study was to establish the relationship between cash flow management and employee satisfaction and three objectives were employed that included; examine how an effective cash flow can be maintained in a company, establishing the various indicators of employee satisfaction that is found in an organisation and analysing the relationship between Cash flow management and employee satisfaction.

The study adopted a case study design using both qualitative and quantitative research paradigms, two categories of the respondents that included; managers and employees from Crown Beverages Ltd and covered a total of 80 respondents. The study used the questionnaire and interview guides as data collection tools and data was analysed basing on the appropriate qualitative data analysis techniques.

Findings revealed that an effective cash flow can be managed in a company by use of improved technology systems to maintain efficiency and effectiveness in the company, that productivity level of the employees is a major indicator of employee satisfaction and lastly that there is a relationship between cash flow management and employee satisfaction which was realized to be in different ways but rather the major two were intrinsic and extrinsic satisfaction dimensions and a good work environment.

The study concluded that from the various ways through which a company can manage an effective cash flow, all come with an experienced expertise, that basing on the different indicators forwarded by the respondents, it is the responsibility of the company to satisfy the employees since most of the long term and short terms benefits were positive, there is a positive relationship between effective cash flow management and employee performance which all company should aim to achieve for growth and achievement of the set objectives.

It recommended that; companies should employ qualified personnel to handle cash flow and as well as effectively monitoring of the various internal control system used, carry out continuous research and consultancy time after time on the most efficient and effective cash flow.
CHAPTER ONE

1.0 Introduction
This chapter gives the overview on the relationship between cash flow management and employee satisfaction. It also looks at the background of the study problem, statement of problem, purpose of the study, objectives of the study, research questions, scope and significance of the study.

1.1 Background of the study
Cash flow management is all about balancing the cash inflow with the cash outflow. Cash inflows seem to lag behind cash outflows because the demands for cash, from the landlord, employees or the tax man, arrive before cash you’re owed is collected leaving your business short of profits. This money shortage is your cash flow gap (Nguyen (2003).

Hamermesh (2001) argued that the importance of cash flow is particularly pertinent at times when access to cash is difficult and expensive. A credit crunch creates extreme forms of problems. When the ‘real economy’ slips into recession, businesses face additional risk of customers running into financial difficulty and becoming unable to pay invoices which is allied to a scarcity of cash from non-operational sources such as bank loans which can push a company over the edge. During buoyant economic conditions, cash flow management is an important discipline because failure to monitor credit, assess working capital, the cash tied up in inventory and monies owed and also ensure that cash is available for investment can hamper a company’s competitiveness or cause it overtrade therefore it maintains the company’s financial stand.

In improving cash flow management, there is need to know your business’s statement of financial position back to front. This may sound obvious but many managers don't know what their companies need when it comes to cash flow. Often small business owners have
a passion for providing a service or a product rather than a financial background and it can glaze their eyes over until they get into trouble (Koys; 2001).

The error many people make is to focus on their businesses profit and loss statement to exclusion of all else. It’s a potentially fatal mistake because healthy profits can mask an incipient cash flow crisis. Profit and loss statements do not usually contain the information required to make an adequate cash flow projection.

Employee satisfaction is the degree to which employees feel personally fulfilled and contented in their job roles. Job satisfaction can be defined also as the extent to which a worker is content with the rewards he or she gets out of his or her job, particularly in terms of intrinsic motivation (Statt, 2004). Job satisfaction according to Armstrong (2006) is attitudes and feelings people have about their work. These attitudes can either be positive or negative. This definition suggests that job satisfaction is a general or global affective reaction that individuals hold about their job. While researchers and practitioners most often measure global job satisfaction, there is also interest in measuring different "facets" or "dimensions" of satisfaction. Examination of these facet conditions is often useful for a more careful examination of employee satisfaction with critical job factors. Traditional employee satisfaction facets include: co-workers, pay, job conditions, supervision, nature of the work and benefits.

Job satisfaction plays a key role for the subjective well-being and is a crucial factor for labour market outcomes of a company. “Greater employee well-being is associated with better job performance, lower absenteeism, and reduced job turnover and is therefore of particular interest to firms and other organisations” (Frey and Stutzer 2002: 29). In addition to the focus on the pecuniary perspective, the aspect of job satisfaction contains potentials for an important variable to analyze the “inequality in the overall returns to work” (Hamermesh 2001: 1).

Many companies use mandatory surveys or face-to-face meetings with employees in order to measure employee satisfaction to gain information though both tactics have pros and cons, should be chosen carefully. Surveys are anonymous, allowing workers more
freedom to be honest without fear of repercussion. Interviews with company management can feel intimidating, but if done correctly can let the workers know that their voice have been heard and their concerns addressed by those in charge.

Many experts believe that one of the best ways to maintain employee satisfaction is to make workers feel like part of a family or team through holding office events, such as parties or group outings, can help build close bonds among workers (Koys; 2001). Many companies also participate in team-building retreats that are designed to strengthen the working relationship of the employees in a non-work related setting. Camping trips, paintball wars and guided backpacking trips are versions of this type of team-building strategy, with which many employers have found success.

Employee satisfaction has become one of the significant indicators in determining organisation performance and success (Wall, Michie, Patterson, Wood, Sheehan, Clegg, & West, 2004). This makes job satisfaction an issue of substantial importance for both employers and employees. As many studies suggest, employers benefit from satisfied employees as they are more likely to profit from lower staff turnover and higher productivity if their employees experience a high level of job satisfaction. However, employees should also “be happy in their work, given the amount of time they have to devote to it throughout their working lives’ (Nguyen, Taylor and Bradley, 2003a).

1.2 Statement of the problem

There is increasing dissatisfaction among employees of various institutions and organisations as evidenced by high turnover especially rising from failure to achieve set targets under the individual balanced score cards; staffs are unable to take leave; limited head count of employees; increased staff involvement in frauds. The dissatisfaction seems to result from low salary pay, increased work load and lack of role clarity among others.
Where there is a poor system of cash management such as failure to put in place restrictive credit terms and policies to ensure that cash is well managed then most organisations are likely to suffer bad debts. This will also contribute to low salary pay which at the end leaves workers very dissatisfied.

Having cash at the right time and well managed is important so that employees can be paid on time and given good payment hence employee satisfaction. Therefore entrepreneurs must pay close attention to cash management so that they are in right frame to address different aspects like employee satisfaction for the smooth running and rapid growth of the company (Koys; 2001).

If these trend of activities are left unchecked then the future of some institutions may greatly be affected. It is on these observations that the researcher gained interest to find out the relationship between cash flow management and employee satisfaction.

1.3 Purpose of the study

The overall aim of the study will be to establish the relationship between cash flow management and employee satisfaction.

1.4 Objectives of the study

Major Objective
To analyse the relationship between Cash flow management and employee satisfaction.

Specific Objectives
To examine how an effective cash flow can be managed in a company.
To establish the various indicators of employee satisfaction found in an organisation.

1.5 Research questions

How can an effective cash flow be managed in a company?
What are the various indicators of employee satisfaction found in an organisation?
What is the relationship between Cash flow management and employee satisfaction?
1.6 **Scope of the study**

**Geographical scope**

The study will be conducted at Crown beverages Ltd which is found in Nakawa industrial area approximately 5km from the city centre along the Jinja- Kampala High way.

**Content scope**

Following the issues of poor cash management within various organisations, the researcher was compelled to study ways of how to address the problems because these problems or actions had an impact not only the reputation of the institutions but also the performance levels of employees.

The researcher sought to build a relationship between cash flow management and employee satisfaction.

Using Crown beverages limited as my study group was because it was more accessible to the researcher.

1.7 **Significance of the study**

The study results are expected to be of significance to various sectors and below are the following ways through which they will be of a benefit to such sectors;

Analysis of the research findings will enable organizations and companies identify weaknesses in their cash flow management systems, how to rectify them and how best they can be utilized while satisfying their employees.

The study will provide information about the recent developments in cash flow management in organisations, new techniques and measures involved to ensure employee satisfaction.
The study results can be used for further academic research as literature and for comparison purposes.
The study will benefit the researcher in partial fulfilment of the award of a bachelor’s degree of Business Statistics of Makerere University.

1.8 Limitations of the study

The study may encounter various limitations before and during the process of data collection. The following are limitations and the various strategies to overcome the anticipated limitations of the study;

The study may involve a lot of money that may lead to postponing of schedules since the researcher is still a student and therefore the student will draw a budget for the study so that the sponsors can provide finances in time to follow the proposed work plan.

Getting limited information from the respondents when collecting data as some of them may fear to give all the information on grounds of confidentiality. The researcher will use different methods of data collection to get the required information.

Poor coordination and cooperation with the respondents since some may try to intentionally avoid participation. The researcher will send questionnaires in time such that everything is well scheduled to avoid failure of participation by the selected sample.

1.9 Definition of key terms

**Performance**; refers to the achievement of the desired quantity and quality of pre-determined results in the form of service/products for customers.

**Employees**; these are workers in an organization or industry.
**Organisation.** This is an institution or industry that is established to provide services/products at a realizable fund price to sustain its continuity in operations. The organization is made up of people, machines, buildings and finance.

**Employee satisfaction** is the degree to which employees feel personally fulfilled and content in their job roles.

**Employee turnover** is the rate at which employees leave their employers, whether voluntarily or involuntarily.

**Management;** is the process of reaching organizational goals by working with and through people and other organizational resources.
CHAPTER TWO
LITERATURE REVIEW

2.0 Introduction

This chapter reviews literature that has been generated by scholars, researchers and academicians in relation to the relationship between cash flow management and employee satisfaction while putting into consideration the questions to be examined from the objectives of the study. This will be done in line with the study objectives that include: examing how an effective cash flow can be maintained in a company, establishing the various indicators of employee satisfaction that found in an organisation and analysing the relationship between Cash flow management and employee satisfaction.

The standard non-profit financial reports like the budget, Statement of comprehensive Income and statement of financial position provide important management information and these statements alone do not tell whether there is enough cash on hand to pay for an unexpected heating repair in a company to take on a new program opportunity or even to cover payroll next month thus meaning that for this reason effective cash flow management is essential (saane et al 2003). Therefore below are the various ways through which an effective cash flow can be maintained in a company;

2.1 Examining how an effective cash flow can be maintained in companies

Cash flow management describes the process of anticipating and planning for cash receipts and disbursements. Cash management is the process of managing the short-term liquid resources of the business to optimize its results.

Cash flow projection
Koys (2001) argued that there is need to start your cash flow projection by adding cash on hand at the beginning of the period with other cash to be received from various sources. In the process, you are expected to wind up gathering information from
salespeople, service representatives, collections, credit workers and your finance department. In all cases, you'll be asking the same question: How much cash in the form of customer payments, interest earnings, service fees, partial collections of bad debts, and other sources are we going to get in, and when?

**Knowledge of upcoming cash outlays**

According to Hamermesh (2001), making accurate cash flow management is detailed knowledge of amounts and dates of a company’s upcoming cash outlays. This means that not only knowing when each penny will be spent, but on what. Having a line item on the projection for every significant outlay, including rent, inventory (when purchased for cash), salaries and wages, sales and other taxes withheld or payable, benefits paid, equipment purchased for cash, professional fees, utilities, office supplies, debt payments, advertising, vehicle and equipment maintenance and fuel, and cash dividends.

**Actively monitor cash flow risks**

A company’s ability to timely track and act on any negative trends in customer payment behaviour is important for managing risks that can impact cash flow. This usually involves assigning ownership to an individual or team for timely follow-up regarding a particular segment or size of customers with slowed payment activity. Creating “alert” reporting capabilities to identify past due invoices coupled with defined follow-up processes will allow the organization to recognize and take action on payment risks more quickly (Sloane et al; 2000).

**Significant working capital**

Saane et al (2003) argued that the leading organizations view effective cash flow management as a strategic advantage. Most organizations have significant working capital but it is a matter of who is using it. Too often negotiated contracts and terms with customers and vendors are not viewed as strategic levers with the power to create a
competitive advantage. Periodically reviewing and renegotiating contract terms and discounts need to be embraced as a strategic opportunity. With the current economic conditions, there is great time to do so. Once renegotiated there is great need to keep your promises by making timely payments and while expecting your customers to do the same.

**Segment customers and suppliers**

There is need for formal segmentation of customers and vendors based on their strategic importance, risks and service attributes. Contract and discount terms with both customers and suppliers may vary depending on their strategic importance. For example, organizations may generally push for longer payment terms with non-strategic suppliers, while agreeing to rapidly pay strategic suppliers in exchange for early payment discounts. When negotiating with customers, targets may be set more aggressively for payment terms and early payment discounts for selected segments of customers. For accounts receivable management purposes, organizations may place more focus on higher risk or larger dollar accounts as a part of their segmentation strategy (Nguyen; 2003).

**Engage the “voice of the customer”**

Organizations that seek to understand if their customers are satisfied and what would help them pay more quickly have a strategic advantage. Similar opportunities exist for engaging key suppliers in discussions about how to effectively conduct business transactions efficiently and improve cash flow management. Aligning the business processes and practices to improve the customer experience and eliminate barriers to payment will directly improve the cash flow conversion cycle (Sue Hayday; 2003).

**Considering the value stream**

According to Rice (2002), companies that take a holistic view of processes from suppliers-to-customers can accelerate converting transactions into cash flow. Leading companies conduct so-called “value stream” or end-to-end analyses of key activities that impact the timing of cash flow. These analyses involve challenging how and when processes are initiated (e.g. inventory reorder points or customer order initiation), eliminating delays and reducing elapsed time for hand-offs between companies and
departments, and identifying where automation can be utilized to accelerate cash flow conversion results. It is helpful to create a cross functional team that is responsible for implementing end-to-end process improvements to achieve cash flow targets thus effecting the cash flow management.

**Leverage technology and systems**

Kaiser (2005) asserts that use of automated systems, internet and other technologies significantly reduce cash conversion cycle time and provide an easy-to-do-business-with experience for internal and external customers and suppliers. Examples include electronic ordering, electronic invoicing, electronic payment, lock boxes and automated payment application, as well as other web-based technologies such as for real-time credit processing. Often, organizations have made significant investments in systems that are not fully deployed. Many enterprise resource planning (ERP) systems and electronic commerce tools have added capabilities to shorten process times if appropriately leveraged. Engaging the cross-functional cash flow improvement team to investigate existing and add-on technologies in conjunction with the value stream analysis activities can lead to dramatic improvements in cash flow and workforce management.

**Quantifying the benefits**

Kaiser (2005) argued that quantifying the benefits of improving these metrics can be compelling. Assigning teams and accountability to identify and implement tactics for closing any gaps between the organization’s current cash flow metrics and best practice results. Establishing incentives for motivating teams to achieve goals through ongoing monitoring and reward systems. Organizations that continuously monitor key cash flow metrics will enjoy working capital advantages that position them to better economic downturns, reduce reliance on external lines of credit and related borrowing costs, and pursue strategic opportunities to grow their business ahead of competition.
2.2 Establishing the various Indicators of employee satisfaction in an organisation.

Proficiency is a multi-dimensional indicator reflecting staff (engineer) capability and capacity, as influenced by recruiting, hiring, promoting, training, coaching, and management practices. It is a leading indicator of Employee Satisfaction and Customer Satisfaction. Team Proficiency is a measure of the ratio of Apprentice, Journey and Master Solution engineers within each product support group. During Scientific Certification Systems (SCS) start up the ratio will be skewed to the apprentice level until nomination and selection for the next skill level is completed. An organization should have a standardized nomination and selection process requiring peer nomination and certification. While all the leading indicators are all interrelated Proficiency is the foundational component. Proficiency, being the foundational component, is the most appropriate indicator to measure and develop first.

According to Hamermesh (2001), productivity is another multi-dimensional measure that considers the staff required to resolve an experienced call volume. Productivity is a bit difficult to calculate for a specific time because calls are closed over a period of time. What makes sense is to calculate the average time to resolution for calls over a period of time, and then to divide that by the average staff available for the same time period of time. This will provide a sense of the average productivity over the period.

Kaiser (2005) denotes that few workers will not experience a boost in morale after receiving more money. Raises and bonuses can seriously affect employee satisfaction, and should be given when possible. Yet money cannot solve all morale issues, and if a company with widespread problems for workers cannot improve their overall environment, a bonus may be quickly forgotten as the daily stress of an unpleasant job continues to mount. If possible, provide amenities to your workers to improve morale. Make it certain that they have a comfortable, clean break room with basic necessities such as running water.
Recent research indicates that employee satisfaction does not necessarily contribute directly to productivity. Satisfaction may be viewed as a passive attribute, while more proactive measures such as motivation levels and brand engagement are viewed as more closely linked to behavioural change, performance, and, ultimately, to bottom line performance (Rice; 2002).

Between 40 and 80 percent of customer satisfaction and loyalty is determined by the customer-employee relationship, depending upon the industry and market segment. At Sears, employee satisfaction accounts for 60 to 80 percent of customer satisfaction. At the Royal Bank of Canada, 40 percent of the difference in how customers view its services can be linked directly to their relationship with bank staff (Hayday, 2003).

Koys (2001) argued that employee commitment is enhanced when an employee feels motivated and satisfied at his job. The link between motivation and satisfaction is, therefore, illustrated by the commitment a worker shows toward his company. Therefore, motivation plus job satisfaction equals commitment.

Shetrone (2011) observed that, positive employee attitudes typically reflect employee satisfaction as a result of the moral of the company. In areas of customer service and sales, happy employees are extremely important because they represent the company to the public. Satisfaction, however, is not linked solely to compensation but also the way they behave while at the work place. Sure, a raise or benefits will probably improve employee contentment, at least temporarily, but small, inexpensive changes can have a long-term impact.

2.3 Establishing the Relationship between Cash flow management and employee satisfaction

Rose (2001) viewed job satisfaction and an effective cash flow management as a bi-dimensional concept consisting of intrinsic and extrinsic satisfaction dimensions. Intrinsic sources of satisfaction depend on the individual characteristics of the person, such as the ability to use initiative, relations with supervisors, or the work that the person actually
performs; these are symbolic or qualitative facets of the job. Extrinsic sources of satisfaction are situational and depend on the environment, such as pay, promotion, or job security; these are financial and other material rewards or advantages of a job. Both extrinsic and intrinsic job facets should be represented, as equally as possible, in a composite measure of overall job satisfaction and cash flow management (Natalie, and Jacobson, 2005).

Job satisfaction and cash flow management are also important everyday life of a company. Organisations have significant effects on the people who work for them and Some of those effects are reflected in how people feel about their work (spector, 1997). This makes job satisfaction an issue of substantial importance for both employers and employees. As many studies suggest, employers benefit from satisfied employee as they Are more likely to benefit from an effective cash flow management and higher productivity if their employees experience a high level of job satisfaction (ngugen, Taylor and Bradley, 2003a)

Company culture includes elements such as the way in which cash flow is handled, ensuring job satisfaction for employees, the freedom to try new things and fail without consequences, dress code policies, pre-dominate communication styles and other intangible details. Like management styles, no company culture is inherently better than another. Company cultures must fit with their employees to increase job satisfaction since it affects effective management of the cash flow or else employees may look elsewhere to find a workplace better suited to their personalities (Shetrone 2011).

According to Ingram(2007), the first step to building happy employees is to first realize and internalize that your employees are by and large one of your biggest assets. To the extent that you can set the personal goals and want of your employees as a fundamental driver of your business decisions, the greater the chance that your business will flourish. But employee satisfaction goes beyond increasing sales through customer interaction.
Happy employees are also more efficient, more productive and are more likely to actively contribute to the success of their employers as well as effective cash flow of the company. The bottom line: happy employees will positively affect your cash flow.

Surveys and studies show that those companies that give importance to their workforce are able to "get it." This means that they are capable of achieving their goals. The main reason for this is that the employees are satisfied. While most would think that an employee training will iron out some issues with the poor company employee performance, there are numerous instances that have proved that happy personnel can provide 80% successful project implementations and productive outputs hence positively affecting the cash flow of any company (Narayandasand Kasturi, 2004).

One of the things that companies always bear is that the workforce involves the employees that carry out the tasks particularly in dealing with the customers. Of course the customers that are satisfied with the service of the company specifically the employees are those that supply sustainable cash flow. Putting two on two together, will make it possible for the company to have content staff members and the customers will be pleased thus revealing the positive relationship between the two elements (Hayday, 2003).

Morgan, Eugene and Mittal. (2005) argued that it is imperative that a company realizes that there is indeed a strong link that is present between employee performance and company finances. It is up to the company to grab this rare chance in gaining competitive leverage. Harnessing its greatest assets which are the workforces. They are critical in differentiation particularly in today's tough business environment. Content employees will generate happy customers. In return, this will build long term relationship between the company and the clients, giving the company an opportunity to earn more money at present and in the future.
Different business owners and managers utilize different management styles. Managers can be collaborative, working alongside subordinates to accomplish tasks. Managers can be facilitative, stepping aside and making sure that employees always have the tools, materials and information they need to do their jobs. Managers can also be coercive and overbearing, micro-managing employees' every move. No single management style is better than another. The best management style for any given situation depends on the effective cash flow management which is influenced by employee satisfaction as well through nature of work being performed, and the needs and preferences of employees doing the work. Fitting the right management style with the right situation can increase employee satisfaction, cash flow management (Nguyen 2003).
CHAPTER THREE
RESEARCH METHODOLOGY

3.0 Introduction

This chapter shows how the data will be obtained from the field and it covers the research design, the area of study, study population, sample selection, data collection methods, data analysis, and target population, procedures, data analysis and anticipated limitations of the study.

3.1 Research design

Research design is a framework for guiding data collection activities. It is the planning of a strategy of conducting procedures for collecting and analysing data (willianzikmund). The study will adopt a case study design using both qualitative and quantitative research paradigms. Quantitative approach may be useful in allowing for more diversity in responses as well as the capacity to adapt to new developments or issues during the research process itself. The study will also use qualitative research design because the design is meaningful and culturally salient to the participant and is bound to facilitate the understanding of the research topic. Quantitative research paradigm provides more representatives, reliable and precise measures by generating figures that enables to answer the research questions.

3.2 Area of study

The study will be conducted at Crown beverages Ltd that is found in Nakawa industrial area approximately 5km from the city centre along the Jinja- Kampala high way. The researcher chooses this area of study because it is easily accessible.

3.3 Target Population

The study will use two categories of the respondents that will include; managers and employees from Crown Beverages Ltd which will be used to represent the entire
population of the company as well as other companies and organizations in the entire country.

3.4 **Sample size and strategy**

The researcher will cover a total of 80 respondents that will be involved in providing the required data for the study to be generalized. Both purposive and random sampling will be used meaning some categories will be purposively selected and in this case fifteen (30) top and middle level managers will be selected that will have both departmental and brand managers of the different products and 50 employees from various departments.

**Table 1: summary of the sampling size and strategy**

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<tr>
<th>Category</th>
<th>No. of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managers (Top and middle level)</td>
<td>30</td>
</tr>
<tr>
<td>Employees (Departments)</td>
<td>50</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
</tr>
</tbody>
</table>

3.5 **Sources of data**

The study will use both primary and secondary data;

**Primary sources of data**

This will use the original data specifically collected for the problem under consideration and it will entail the collection of data with regard to the research objectives through use of the researcher’s formulated questionnaires and an interview guide. It will provide first-hand information.

**Secondary sources of data**

This basically will constitute of already existing data from textbooks, journals, local daily sources, magazines and internet sources which will be used to collect data. It is to provide second hand information.
3.6 Data Collection Methods

The study will use the questionnaire and interview guides as data collection tools.

Questionnaire
Collection of the data will be by use of questionnaires which will have both open and close ended questions which means the respondents will be provided with options for some questions while others will have spaces that they will be needed to fill. This will be used on grounds that questionnaires give the respondents time and an opportunity to critically think of what information to give. It also allows them to remember in case of forgetting. The questionnaires will be used to collect data from the managers. Because some employees are unable to effectively write, do not have enough time and to vary the data which will be collected, the study will also use interviews.

The interview guide
Unstructured interview will be used to collect data from the employees. This will be used since it helps the researcher to collect uniform data as all the respondents are asked the same questions. Interviews are also important in a way that that they help reduce on duplication as the researcher is bound to get first-hand information from the respondents directly.

3.7 Procedure of data collection

The first thing to be done will be obtaining an introduction letter from School of statistics and planning in Makerere University. This will be used to seek permission from company administrators and respondents who will participate in the study. The researcher intends to design semi-structured oral interviews and questionnaires for each category of respondents involved in the study in order to select the desired information.

Lastly, the researcher will proceed to the field to embark on the primary data collection and schedule appointments with the respondents.
3.8 Data Analysis and presentation

Raw data collected from the field will be analysed basing on the appropriate qualitative data analysis techniques. Data will be analysed in tabular form in form of percentages and frequencies. The analysed data will be presented in tables following the various questions examined form the study objectives.
CHAPTER FOUR
DATA PRESENTATION, INTERPRETATION AND ANALYSIS

4.0 Introduction

This chapter involves presentation and interpretation of the data collected from the field by the study. This was done according to the objectives of the study and research questions that included: examining how an effective cash flow can be maintained in a company, establishing the various indicators of employee satisfaction found in an organisation and analysing the relationship between Cash flow management and employee satisfaction.

Table 2: Number of questionnaires received and given out

<table>
<thead>
<tr>
<th>Data collection tool</th>
<th>Category assessed</th>
<th>Number given out</th>
<th>Number received</th>
</tr>
</thead>
<tbody>
<tr>
<td>Questionnaires</td>
<td>Managers</td>
<td>46</td>
<td>40</td>
</tr>
<tr>
<td>Interview guide</td>
<td>Employees</td>
<td>84</td>
<td>66</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>130</td>
<td>106</td>
</tr>
</tbody>
</table>

Data were obtained from self-administered questionnaires and interview guides completed by 66 department employees and 40 managers. (n=106), an 82% response rate. A total of 106 questionnaires and interview guides were received, however only 80 of them were usable for this study and met the required inclusion criteria as discussed in the previous chapter. This represented 82% of the expected population which is comprised of about 400 employees.

Of the remaining 26 questionnaires deemed unusable, 16 respondents did not complete the questionnaires in that two or more subsections of the questionnaires were omitted. 20 respondents reported that they were only temporal in the office since they were interns not entitled to any form of pay. This did not meet the inclusion criteria of the study.
**Bio data of respondents**

The findings below present the demographic factors of the respondents in terms of gender, academic qualification and duration of service that involved all the categories of the respondents that were involved in the study and is presented in figure 1, 2 and 3.

**Figure 1: Showing gender of the respondents**

```
Gender of the respondents

<table>
<thead>
<tr>
<th>Gender</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>78%</td>
</tr>
<tr>
<td>Female</td>
<td>22%</td>
</tr>
</tbody>
</table>
```

*Source: Primary data*

The findings of the study presented in figure 2 above revealed that majority of the respondents were male with 78% and the remaining were the female who had 22%. This therefore shows that the study did not discriminate the respondents on gender basis but was rather considerate to both sexes since it was purposeful in nature of the sampling procedure giving it an opportunity to get views of both sexes. The results also show that there many male more than female due to the policies that companies set to employ women in particular jobs like secretaries and receptionists and thus the reason for few females. For the side of the male the basic reason is that companies prefer employing them in specific positions like loading, managers since they are thought to be hardworking in nature and strong mentally.
Regarding the qualifications of the respondents sampled presented in figure 3 above, results revealed that they had varying levels of qualification in-terms of education. Majority of the respondents with 45% were degree holders being a minimum qualification for people to perform followed by 30% who had diploma awards then by certificate holders with 20% whose job descriptions does not require high academic qualified candidates while 6% had masters/postgraduate degree whose job descriptions require such academic qualifications. Thus the results implied that the study though purposeful in sampling did not base on the qualifications but rather varied giving it a chance to sample respondents of the different levels of education meaning views of different education levels can give relevant data.
The results regarding the duration of service of the employees in the company revealed that there were different working experiences of the respondents as regards the time they have worked with the company and from the presentation, majority of the respondents with 42% had worked for 6-10 years who are more mature and have experience, followed by 28% who had worked for 3-5 years, 20% for 11 years and above and lastly 10% 0-2 years. This therefore implies that study sampled respondents that had varying experiences and was therefore did not segregate on the working experience of the respondents. The results are so because the company has a retention policy of renewing employee’s contracts for those that perform to the standards of the company and thus some are able to remain in the company and service for long.

Source: Primary data
4.1 To examine how an effective cash flow can be managed in a company

The tables below show the findings of the study regarding how an effective cash flow can be managed in a company which was obtained from all the categories of the respondents sampled during data by both the questionnaire and interview guide.

Table 3: Setting targets and monitor plans

<table>
<thead>
<tr>
<th>Setting targets and monitor plans</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>61</td>
<td>76</td>
</tr>
<tr>
<td>Not sure</td>
<td>15</td>
<td>19</td>
</tr>
<tr>
<td>Disagree</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Primary data*

Targets should more accurately be considered as just one element within a comprehensive and [ideally] complementary performance management framework (Financial Services Authority, 2002). 76% of the respondents agreed that targets are set and plans are monitored in the company while maintaining an effective management of cash flow through following guidelines to achieve the set targets. This implies that setting targets and monitoring plans maintains an effective management of the cash flow. 19% of the respondents were not sure whether setting targets and monitoring plans maintains an effective management of the cash flow. This is as a result that some of the benefits are not so visible in a sense that some of the respondents are unaware. 5% of the respondents were though in disagreement that setting targets and monitoring plans can lead to an effective management of the cash flow thus implying that some of the respondents did not find the element important.
Table 4: Cash flow risks are monitored to overcome risks

<table>
<thead>
<tr>
<th>Cash flow risks are monitored to overcome risks</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>60</td>
<td>75</td>
</tr>
<tr>
<td>Not sure</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Disagree</td>
<td>14</td>
<td>18</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Primary data

Survey evidence presented in Bodnar, Graham, Harvey and Marston (2011) indicates that the most common risks that are managed using financial instruments. 75% of the respondents agreed that cash flow risks are monitored to overcome risks in the bid to maintain an effective cash flow in a company through timely tracking and acting on negative trends in customer payment, therefore there is no fraud since the solution is put in place earlier to effectively calculate the risks. 18% of the respondents though were in disagreement with cash flow risks being monitored to overcome risks and this implies that not all risks can be measured since most of them are not expected before they happen. Other findings revealed that 7% of the respondents were not sure whether this can bring positive results or was not effective an implication that they were either not informed about the strategy or were familiar with other strategies.

Table 5: Use of improved technology systems to maintain efficiency and effectiveness

<table>
<thead>
<tr>
<th>Use of improved technology systems to maintain efficiency and effectiveness</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>74</td>
<td>92</td>
</tr>
<tr>
<td>Not sure</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Disagree</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Primary data
The advancement in computing and telecommunications has revolutionized the cash flow management within organizations. Kohli (2006) emphasized on the importance of technology and issues emerging from this technology. From the table above, 92% of the respondents agreed that use of improved technology systems maintains efficiency and effective cash flow in the company through timely productions of financial statements, simplifies work for the employees since storage and internal control is improved. This implies that the use of improved technology maintains efficient and effective cash flow.

5% of the respondents disagreed that the use of improved technology does not maintain an effective cash flow in the company for reasons that some of the employees are still lagging behind in terms technology. 3% the least score were not sure of the use of improved technology as regards the issue of managing cash flow because some of these have not realised the advantage of technology in companies.

### Table 6: Significant working capital

<table>
<thead>
<tr>
<th>Significant working capital</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>64</td>
<td>80</td>
</tr>
<tr>
<td>Not sure</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td>Disagree</td>
<td>10</td>
<td>12</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Primary data*

Regarding the above, 80% of the respondents agreed that having a significant working capital is an important strategy in maintaining an effective cash flow in the company. Arunkumar O.N and Jayakumar S. (2010) explain how working capital is considered the lifeblood and controlling nerve centre of the business. This makes it easy to balance the books since there is always making timely payments and also customers doing the same. 12% of the respondents were in disagreement with having significant working capital being effective in managing cash flow in the company thus implying the company does not make timely payments and the customers also delay their payments. 8% which
was the least score were not sure of the tool’s effectiveness as regards managing an
effective cash flow meaning that these did not find significant capital either having a
positive or negative impact on cash flow management in a company.

**Figure 4: Showing Knowledge of upcoming cash outlays**

![Bar chart showing knowledge of upcoming cash outlays](chart.png)

*Source: Primary data*

57% of the respondents disagreed that knowledge of upcoming cash outlays maintains an
effective cash flow management, for such reasons like you can not only know when each
penny is spent but also on what. 25% of the respondents agreed that knowledge of
upcoming cash outlays is effective in managing cash flow in a company through knowing
of the amounts and dates of the company’s upcoming cash outlays. 18% were not sure
whether it works or not thus implying that many respondents were either not aware or
doubt its potential.
50% of the respondents disagreed with engaging the voice of the customer since some of their terms are not favourable to the company for example discounts on the products and services hence making the company to incur high costs. 45% agreed that engaging the voice of a customer is important in cash flow management for reasons such as helps to conduct transactions effectively, satisfying customers and eliminates barriers to payment. Only 5% of the respondents did not know whether engaging the voice of the customers since they did not realise the importance of connection between the producer and end users.

4.2 To establish the various indicators of employee satisfaction found in an organisation

The tables and figures below show the findings of the study regarding the indicators of employee performance in a company which was obtained from all the categories of the respondents sampled during data by both the questionnaire and interview guide.
### Table 7: Productivity level of the employees

<table>
<thead>
<tr>
<th>Productivity level of the employees</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>80</td>
<td>100</td>
</tr>
<tr>
<td>Not sure</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disagree</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Primary data*

There is link between employee attitudes and business performance which has been established (Saari & Judge, 2004). Regarding the various indicators of employee performance in an organisation employee level of productivity was identified to be one of the major indicators as all the respondents sampled (100%) agreed that it was an indicator of employee satisfaction in a company. This is as a result that when employees are contented with their jobs their production increases and when they are not contented their production reduces. Therefore productivity level is an indicator of employee satisfaction.

### Table 8: Improved morale among the employees

<table>
<thead>
<tr>
<th>Improved morale among the employees.</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>68</td>
<td>85</td>
</tr>
<tr>
<td>Not sure</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disagree</td>
<td>12</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Primary data*

Zial (2011) concluded that team building has the long term positive relationship between employee morale and employee retention. Improved morale among the employees was a major indication identified as 85% of the respondents agreed that one of the visible indicators of employee satisfaction in any company thus meaning that companies scan measure their employees’ satisfaction level through the morale they have towards work. 15% of the respondents disagreed that employees moral is not an indicator of employees
satisfaction basically because some employees even when they are satisfied with their work, aim at repaying their employers others than showing morale.

Table 9: Improved relationships with customers

<table>
<thead>
<tr>
<th>Improved relationships with customers</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>55</td>
<td>68</td>
</tr>
<tr>
<td>Not sure</td>
<td>11</td>
<td>14</td>
</tr>
<tr>
<td>Disagree</td>
<td>14</td>
<td>18</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Primary data

Better serving the customer improves long-term customer loyalty, satisfaction and retention (Chen and Popovich, 2003; Chang, 2007). Results in the table above revealed that improved relationships with customers is an indicator where there is employee satisfaction in a company as 68% the majority agreed with the concept. Through good customer care, 18% of the respondents disagreed with improved relationships between employees and customers being an indicator and this is because they think some companies have some policy guidelines to follow where a customer is treated as the boss. 14% of the respondents who were not sure whether improved relationships with customers is an indicator since they believe customers are supposed to relate directly with the employees and are therefore not sure whether it is an indicator of employee satisfaction.

Table 10: Employee’s commitment to their work

<table>
<thead>
<tr>
<th>Employee’s commitment to their work</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>72</td>
<td>90</td>
</tr>
<tr>
<td>Not sure</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disagree</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Primary data
According to Brown, et al (2011) high employee commitment towards organisation increases the job satisfaction among employees; job performance and decreases employee turnover. 90% of the respondents in the above table were in agreement with employees’ commitment to their work being a major indication thus implied that there is low labour turnover, high production level, motivation since employees are so committed to their work. This was followed by 10% of the respondents who disagreed with that commitment alone is not enough to show that employees are satisfied but rather doing what their contracts and job description contains.

**Figure 6: Positive attitudes shown by employees**

From the table above, 90% of the respondents agreed that positive attitudes shown by the employees are indicators of employee satisfaction. Employees like their work, they come early to work. this implies that positive attitude shown by employees is an indicator of employee satisfaction. 7% of the respondents who were not sure whether it is an indicator
meaning that these only cannot show that employees are satisfied. 3% disagreed that positive attitude does not show employee satisfaction. This is as a result that some employees are naturally happy and behave well at work place.

**Figure 7: Team work among employees**

![Bar chart showing agreement with team work among employees]

*Source: Primary data*

From the above table 92% of the respondents agreed that team work among employees is an indicator of employee satisfaction through timely production, good work, coordination among employees. 5% of the respondents are not sure whether team work among employee is an indication of employee satisfaction because they are not aware. 3% of the respondents disagree that team work among employees is an indicator of employee satisfaction. This is as a result no coordination among employees, delayed productions.
4.3 To analyse the relationship between cash flow management and employee satisfaction

The table below shows the findings of the study on the relationship between cash flow management and employee satisfaction which was obtained from all the categories of the respondents sampled during data by both the questionnaire and interview guide.

Table 11: There are intrinsic and extrinsic satisfaction dimensions

<table>
<thead>
<tr>
<th>There are intrinsic and extrinsic satisfaction dimensions</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>70</td>
<td>88</td>
</tr>
<tr>
<td>Not sure</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100</td>
</tr>
</tbody>
</table>

*Source: Primary data*

In a study concerning the influence of intrinsic and extrinsic job satisfaction factors on over 300 rehabilitation professionals, the results supported intrinsic factors having a positive impact of career satisfaction as well as retention (Randolph & Johnson, 2005). Regarding the relationship between cash flow management and employee satisfaction, table 6 revealed that there were variations in the findings where 88% of the respondents which was the majority agreed with the presence of intrinsic and extrinsic satisfaction dimensions due to presence of intrinsic sources like relations with the supervisors, work performed, ability to use initiative and extrinsic sources like good pay, promotion, job security. 10% were not sure because they do not know about the presence of intrinsic and extrinsic dimensions as far as cash flow management and employee satisfaction is concerned. 2% of the respondents disagreed that intrinsic and extrinsic dimensions does not exist through lack of extrinsic sources like promotion, job security, good pay and intrinsic sources like ability to use initiative.
Table 12: Maintenance of the company culture

<table>
<thead>
<tr>
<th>Maintenance of the company culture</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>64</td>
<td>80</td>
</tr>
<tr>
<td>Not sure</td>
<td>14</td>
<td>18</td>
</tr>
<tr>
<td>Disagree</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Primary data*

The study of Sempane et al. (2002) revealed a significant relation between organizational culture and the variables of job satisfaction. From the above table 80% of the respondents agreed that maintenance of the company culture for example communication styles enables employees fit in the company culture hence increasing employee satisfaction since it affects effective cash flow management. 18% were not sure of maintenance of company culture being a result of effective cash flow management and employee’s satisfaction thus meaning this is not the only relationship though it exists since some of the employees are not familiar with it. 2% of the respondents disagreed with maintenance of the company culture for reasons as they can adapt the culture yet they’re not contented with their work.

Table 13: There is good work environment

<table>
<thead>
<tr>
<th>There is good work environment</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>71</td>
<td>88</td>
</tr>
<tr>
<td>Not sure</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Disagree</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Primary data*

The study of Tio (2014) used 74 samples with multiple regression analysis to measure the significance of work environment on job satisfaction among staff of a particular organization. The study found that work environment significantly determines job
satisfaction. 88% of the respondents in the table above agreed that there is good work environment in both cash flow management and employee satisfaction meaning that there is a positive working environment where both aspects exists which is the goal of every company.

In the same table, 8% of the respondents disagreed with good working environment being part of both the company’s overall goal though it facilitates achieving the overall aim. 4% of the respondents were not sure whether both good working environments is an element in both cash flow management and employee satisfaction meaning that theses respondents did not understand both aspects to analyse them.

Table 14: Utilize different management styles

<table>
<thead>
<tr>
<th>Utilize different management styles</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>36</td>
<td>45</td>
</tr>
<tr>
<td>Not sure</td>
<td>24</td>
<td>30</td>
</tr>
<tr>
<td>Disagree</td>
<td>20</td>
<td>25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Primary data*

From the table above, 45% of the respondents agreed that in cash flow management and employees satisfaction, management styles are utilised which means that there is effectiveness and efficiency attained as the end result for both cash flow management and employee satisfaction. 30% of the respondents were not sure of the existence of the relationship between cash flow management and employee satisfaction meaning that these respondents are not informed about the different management styles and thus unable to relate them. Only 25% of the total respondents disagreed that cash flow management and employee satisfactions have different management styles thus implying that these respondents did not realise the importance and existence of changing management styles in both cash flow management and employees satisfaction. Pathack
(2005) that management styles adopted substantially influence the performance of individual employees, work groups and organizational effectiveness.

Figure 8: Increased competition

![Increased competition chart]

Source: Primary data

70% which was the majority agreed that increased competition is one of the relationships since both cash flow management and employee satisfactions are prime targets of the employer as well as the employees. Regarding increased competition in the company, 15% of the respondents were not sure whether there is either a positive or negative impact that both aspects have on increased competition. 15% of the respondents also disagreed with increased competition being a result of both cash flow management as well as employees’ satisfaction meaning that these were not aware that effectiveness of cash flow management and employee satisfactions is a positive aspect for any company.
Table 15: Customer-employee relationship

<table>
<thead>
<tr>
<th>Customer-employee relationship</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agree</td>
<td>58</td>
<td>72</td>
</tr>
<tr>
<td>Not sure</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Disagree</td>
<td>22</td>
<td>28</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Primary data

Better serving the customer improves long-term customer loyalty, satisfaction and retention (Chen and Popovich, 2003; Chang, 2007). 72% of the respondents here agreed that both cash flow management and employee satisfaction involve the customer-employee relationship thus implying that both elements involve dealing with customers. On contrary to the above, 28% of the respondents disagreed on customer-employee relationship being involved in both employee satisfaction and cash flow management implying that though there is a bridge between cash flow management and employee satisfactions as regards the relationship with the customer.

Table 16: Correlation

<table>
<thead>
<tr>
<th></th>
<th>X</th>
<th>Y</th>
<th>Z</th>
<th>XYZ</th>
<th>X²</th>
<th>Y²</th>
<th>Z²</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>29</td>
<td>11</td>
<td>-</td>
<td>319</td>
<td>841</td>
<td>121</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>72</td>
<td>8</td>
<td>-</td>
<td>576</td>
<td>5184</td>
<td>64</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>68</td>
<td>12</td>
<td>-</td>
<td>816</td>
<td>4624</td>
<td>144</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>55</td>
<td>14</td>
<td>11</td>
<td>2420</td>
<td>3025</td>
<td>196</td>
<td>121</td>
</tr>
<tr>
<td></td>
<td><strong>224</strong></td>
<td><strong>45</strong></td>
<td><strong>11</strong></td>
<td><strong>4131</strong></td>
<td><strong>13674</strong></td>
<td><strong>525</strong></td>
<td><strong>121</strong></td>
</tr>
</tbody>
</table>

Let N represent the number of pairs of observations of two variable cash flow management and employee satisfaction on a three weighed scale X, Y and Z (X for Agree, Y for Disagree and Z for Not sure (N= 4).

The correlation coefficient between the two variables is defined by
The value of $r$ is 0.4 thus comparing the three relating parameters of agree, don’t agree and not sure to relate the two variables of cash flow management and employee satisfaction it shows that even though the correlation is positive, the value is very less and this does not provide a firm basis to consider a functional relationship between the two variables though it exists.
CHAPTER FIVE

DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This chapter presents the discussion, conclusions and recommendations of the study which was obtained from the findings of the study that were analysed in the previous chapter in line with the objectives of the study as guided by the research questions used while collecting data for the study and these as below;

5.1 Discussions

Objective one: To examine how an effective cash flow can be managed in a company

Regarding this objective, there were variations in the findings and from the presentation in table 4, the major findings revealed that use of improved technology systems to maintain efficiency and effectiveness in the company. This therefore means that there is need to use improved technology in managing the cash flow for example in carrying out the internal controls in the company like internal audit so that there is a well and effective monitoring of the day to day transactions that are carried out in the company with a good record keeping back ground.

The findings above are exactly related to what Kaiser (2005) who asserts that use of automated systems, internet and other technologies significantly reduce cash conversion cycle time and provide an easy-to-do-business-with experience for internal and external customers and suppliers. Examples include electronic ordering, electronic invoicing, electronic payment, lock boxes and automated payment application, as well as other web-based technologies such as for real-time credit processing. Often, organizations have made significant investments in systems that are not fully deployed. Many enterprise resource planning (ERP) systems and electronic commerce tools have added capabilities to shorten process times if appropriately leveraged. Engaging the cross-functional cash flow improvement team to investigate existing and add-on technologies in conjunction with the value stream analysis activities can lead to dramatic improvements in cash flow and workforce management.
Objective two: To establish indicators of employee’s satisfaction in a company

As far as this objective was concerned, it was revealed that there are various indications of employee satisfaction realized and accordingly all the respondents agreed with the productivity level of the employees being a major indicator. This thus means that when the employees are satisfied there is increased productivity in the company since they always expect a reward for their hard work and thus this is for the benefit of the company since the company is able to attain its objectives and growth due to increased profits and an effective and stable cash flow management.

The findings are exactly in line with what Hamermesh (2001) who observed that productivity is another multi-dimensional measure that considers the staff required to resolve an experienced call volume. Productivity is a bit difficult to calculate for a specific time because calls are closed over a period of time. What makes sense is to calculate the average time to resolution for calls over a period of time, and then to divide that by the average staff available for the same time period of time. This will provide a sense of the average productivity over the period.

Objective three: To analyse the relationship between cash flow management and employee satisfaction

Findings of the study under this objective revealed that there is a relationship between cash flow management and employee satisfaction which was realized to be in different ways but rather the major two were that there are intrinsic and extrinsic satisfaction dimensions and a good work environment. This therefore means that those employees in a company where they are satisfied and the company manages cash flow effectively are well motivated intrinsically and extrinsically which make them to become hard working since they always expect a lot from their employers and feel indebted to pay their employers for what they are given. It also on the other side means that employees are in position to enjoy the work place since they find the environment favourable to them to work in.
To relate with the above, Rose (2001) viewed job satisfaction and an effective cash flow management as a bi-dimensional concept consisting of intrinsic and extrinsic satisfaction dimensions. Intrinsic sources of satisfaction depend on the individual characteristics of the person, such as the ability to use initiative, relations with supervisors, or the work that the person actually performs; these are symbolic or qualitative facets of the job. Extrinsic sources of satisfaction are situational and depend on the environment, such as pay, promotion, or job security; these are financial and other material rewards or advantages of a job. Both extrinsic and intrinsic job facets should be represented, as equally as possible, in a composite measure of overall job satisfaction and cash flow management.

The above findings also square with Morgan et al (2005) who argued that it is imperative that a company realizes that there is indeed a strong link that is present between employee performance and company finances. It is up to the company to grab this rare chance in gaining competitive leverage. Harnessing its greatest assets which are the work forces. They are critical in differentiation particularly in today's tough business environment. Content employees will generate happy customers. In return, this will build long term relationship between the company and the clients, giving the company an opportunity to earn more money at present and in the future.

5.2 Conclusion

From the findings that were obtained in the previous chapter, the study concluded that from the various ways through which a company can manage an effective cash flow, all come with an experienced expertise and thus there is need for companies and organisations to employ qualified personnel that can help to implement such tools and ideas. For the second objective, it was concluded that basing on the different indicators forwarded by the respondents, it is the responsibility of the company to satisfy the employees since most of the long term and short terms benefits were positive for the company as far as cash flow management is concerned to be effected. The third objective was concluded regarding the findings obtained it was realised that a company need both aspects and that there is a positive relationship between effective cash flow management
and employee performance which all company should aim to achieve for growth and achievement of the set objectives.

5.3 **Recommendations**

From the findings obtained as discussed and concluded, the study drew different recommendations aimed to bring about positive change in cash flow management and employee satisfaction in concerned and these included the following:

There is need to use improved technology systems to maintain efficiency and effectiveness of the cash flow in the company for example the internal control system should be effectively operated and monitored to effect cash flow management.

Company should employ qualified personnel to handle cash flow and as well as effectively monitoring the various internal control system used in the firm.

Organisations and companies need to carry out continuous research and consultancy time after time on the most efficient and effective cash flow management to make sure that they have the best to exploit the benefits.

Companies and organisation should consider the most effective monitoring and evaluation tools for the effective management of the different cash inflow and outflow systems to use in the company/organisation other than use the cheapest but not reliable.

5.4 **Further areas of research**

After a successful study was carried out, the researcher recommends that the findings were not far from what related studies have found out but there is need to carry out a more comprehensive and diversified study on the following areas;

- The effect of particular indicators of employee satisfaction found in a company.
- To analyse the relationship between employee performance and indicators of employee satisfaction.
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Tio, E. (2014) the impact of working environment towards employee job satisfaction: a case study In PT.X iBuss Management, 2(1), 1-5.


APPENDIX I: QUESTIONNAIRE
Questionnaires to the Managers

Dear Respondents,

I’m OKWIR EMMY OGULE a student of Makerere University and am carrying out a study on “the relationship between cash flow management and employee satisfaction specifically in Crown Beverages Ltd”. I therefore request you to participate in this study by providing your views to the questions below in the best way that suits you. The information is purely academic and your response will be well treated with utmost confidentiality that your disclosure remains purely personal unless given permission that information will be released to a third party.

SECTION A
Bio-data
1. Sex
   Male □
   Female □

2. Highest qualification
   Certificate □
   Diploma □
   Degree □
   Masters □
   Other, please specify …………………………………………………………………………………………………

3. Duration of service
   0-2 yrs. □
   3-5yrs □
   6-10yrs □
   11yrs –Above □
SECTION B

Does your company manage cash flow well?
No ☐
Yes ☐

TO EXAMINE HOW AN EFFECTIVE CASH FLOW CAN BE MANAGED IN A COMPANY

Question 1: How can an effective cash flow be managed in a company?

<table>
<thead>
<tr>
<th>Agree</th>
<th>Not sure</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Setting targets and monitor plans.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash flows risks are monitored to overcome risks.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use of improved technology systems to maintain effectiveness and efficiency.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Having a significant working capital giving the firm a financial base.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Knowledge of upcoming cash outlays.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engaging the voice of a customer.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quantifying the benefits in the company.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TO ESTABLISH THE VARIOUS INDICATORS OF EMPLOYEE SATISFACTION FOUND IN AN ORGANISATION

Question 2: What are the various indicators of employee satisfaction found in a company?

<table>
<thead>
<tr>
<th>Agree</th>
<th>Not sure</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Productivity level of the employees.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improved morale among the employees.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improved relationship with customers.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee’s commitment to their work.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive attitudes shown by employees.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Team work among employees.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
TO ANALYSE THE RELATIONSHIP BETWEEN CASH FLOW MANAGEMENT AND
EMPLOYEE SATISFACTION

<table>
<thead>
<tr>
<th>Question 3: What is the relationship between cash flow management and employee satisfaction?</th>
<th>Agree</th>
<th>Not sure</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>There are intrinsic and extrinsic satisfaction dimensions</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maintenance of the company culture</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There is good work environment.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utilize different management styles.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increased competition</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer-employee relationship</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Thank you for your cooperation!!!
APPENDIX II: INTERVIEW GUIDE
Interview guide to other employees

1. Does your company manage cash flow well?
2. How can an effective cash flow be managed in a company?
3. Are you satisfied by your employers?
4. If yes, what does your company do to satisfy you?
5. What are the various indicators of employee satisfaction in your organisation?
6. What is the relationship between Cash flow management and employee satisfaction?
7. What do you think can be done to effect the cash flow management?
8. What are the advantages a company has when employees are satisfied?
APPENDIX III: INTRODUCTORY LETTER

Introductory letter for data collection

MAKERERE UNIVERSITY

College of Business and Management Sciences (CoBAMS)
School of Statistics and Planning
Department of Planning & Applied Statistics

3rd July, 2017

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

RE: RECOMMENDATION FOR MR. OKWIR EMMY OGULE – REG. NO.
14/0/14044/EVE

This is to introduce to you Mr. Okwir Emmy Ogule who is a Third Year student at the School of Statistics and Planning (SSP) Makerere University, pursuing a Bachelor of Science Degree Programme in Business Statistics since 2014.

As part of the final year examinations, each student is expected to write a dissertation on a topical issue under the supervision of a senior member of staff. The above student selected a topic titled: "The Relationship between cash flow management and employee satisfaction. A Case Study of Crown Beverages Limited."

The purpose of this letter therefore, is to request you to allow this student use information from your organization. All information collected will only be used for academic purposes.

Any assistance rendered to her/him will be highly appreciated.

Yours sincerely,

Asimwe John Bosco (Ph.D)
CHAIR, Department of Planning & Applied Statistics