MAKERERE UNIVERSITY

EVALUATING SECURITY OF MOBILE MONEY TRANSACTIONS AT MTN UGANDA

By

KISITU AUGUSTINE

Registration Number: 2012/HD06/4428U

Supervisor

DR. AHAMED KITUNZI MUTUNZI

Makerere University

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ABSTRACT

The purpose of the study was to evaluate the security of Mobile Money transactions at MTN Uganda. The evaluation was centered on three major transaction types that involve money-changing hands that is; funds transfer, bill payment and cash withdrawal. The objectives of the study were; To evaluate the security of funds transfer transactions at MTN Uganda. To evaluate the security of bill payment transactions at MTN Uganda. To evaluate the security of cash withdrawal transactions at MTN Uganda.

The study used a cross sectional survey design following an evaluative approach to elicit data from MTN Staff, MTN Mobile money agents and relevant secondary sources. The analyzed results showed that agents trust MTN mobile money in terms of its ability to validate recipients, its effectiveness and timeliness. However, there were shortfalls regarding the ability of users to recover or reverse wrong transactions often resulting into loss of money, a communication gap especially regarding user complaints and the differential strength in security implementation of third party systems connected to MTN Mobile money. Overall, the success of MTN Mobile money indicates that regardless of the identified weaknesses, the market is still confident to use the services yet there is room for improvement of the security of mobile money in the identified areas. The study recommended that MTN integration with third party systems must always ensure the provision of a step for validation of the account details especially validity and account beneficiary/titles to help users validate their transactions prior to payment.