



## **BUSINESS NETWORKING, ORGANIZATIONAL LEARNING AND INTERNATIONALIZATION OF SMEs; A CASE STUDY OF SMALL AND MEDIUM MANUFACTURING EXPORTERS IN KAMPALA**

### **ABSTRACT**

The study aimed at establishing the relationship between business networking, organizational learning and internationalization of SMEs. It was carried out in Kampala district of Uganda. The study adopted a cross sectional survey design. Correlation and Hierarchical regression were used to explain the relationships between the variables of the study and to show the extent to which the independent variables explain the dependent variable. This study was based on 96 observations of SMEs manufacturing exporters. The empirical findings from the study revealed that there is a strong positive significant relationship between business networking, organizational learning and Internationalization of SMEs. The study further found out that firm characteristics are not strong predictors of internationalization of SMEs. However, the results indicated that business networking and organizational learning are significant predictor of Internationalization of SMEs. Nonetheless, business networking was found to have the largest effect on internationalization as compared to organizational learning. Regarding mediation test, the study discovered that organizational learning partially mediates the relationship between

business networking and Internationalization of SMEs. The study therefore recommends that SMEs should improve their networks through trusting themselves, coordinating their activities as well as sharing information. In addition, they should also promote organization learning through knowledge acquisition, interpretation and dissemination of information among their employees if they are to attain internationalization.

**Key words:** Business Networking, Organizational Learning and Internationalization of SMEs

