

Capital Markets Authority urged to strengthen media relations

 By [Walter Wafula](#)

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The Capital Markets Authority, CMA, has been advised to strengthen its relation with the media in a bid to increase awareness and people's knowledge on the role and benefits of investing in capital markets. The CMA is the organisation in charge of licensing and regulating players in the capital markets and protecting participating investors.

Grace Achire, chief executive officer of Vantage Communications, persuaded the CMA, during a one-day workshop in Kampala last week, where she presented key findings from a 2008 research project; "Knowledge, Attitude and Practices Assessment Report," last week. The survey was commissioned by Vantage Communications, a local public relations firm, on behalf of the CMA, to assess the effectiveness of the authority's public awareness activities.

According to the survey, newspapers emerged as the most effective sources of information about capital markets followed by radio (23%) and television (15%). Majority (56%) of the respondents also identified newspapers as the most preferred media for receiving information on capital markets, radio still emerged number two, at 41% while public exhibitions and CMA magazines were reported at 22% and 21% respectively. Road shows which are also engineered by the CMA were the least cited sources of information.

While presenting the findings of the survey to a group of capital markets' stakeholder including, stock brokers, fund managers, shareholders and journalists, Achire said that the survey revealed that the media was playing a significant role in informing the public about stock markets. The research was based on 456 respondents in four districts of Uganda - Kampala, Mbale, Gulu and Kabale - where the CMA has targeted its public awareness drives.

She, however, pointed out that the relationship between the CMA and the media was still wanting and needed urgent attention despite the improvements made, in the last year. "The general feeling is that the mode of interaction has been adhoc, ceremonial and mainly event-based, not a formalised system of media relations."

Journalists who were interviewed noted that the cause of the CMA's inadequate relationship with the press was the authority's lack of a public relations office. "It was found out that relations with the media has been personal and depended on personal relationships with the chief executive offer, Japheth Kato, which is not sustainable," she said.

The survey recommended that the CMA sets up a channel of communication with the media, to ensure that there's good rapport and consistent communication with journalists. "There is need to appoint a specific media point person that can co-ordinate and make arrangements to access technical persons, in essence a specific PR office should be instituted," Achire explained.

Achire noted that while the Uganda Securities Exchange was enjoying a good relationship with the press, there is need for the CMA to try and get close to the media through regular interaction and press briefings. Officials of the authority were also urged to simplify information about the media that is meant for the public instead of the boring and technical terms of the capital markets. “There is need for such information to be more relevant to human interest. To help the media report well, the market needs to educate the media on new and unfamiliar products like bonds, right issues, and share splits,” she said.

In July this year, the CMA and the Association of Chartered Certified Accountants (ACCA), signed a Memorandum of Understanding (MOU) in Kampala to equip Ugandan, consistent, financial business reporters with knowledge in key areas of finance like accounting, capital markets, and tax issues. The two bodies will train at least 40 journalists from Uganda's leading media organisations - both print and electronic media.

Speaking at the signing ceremony, Japheth Katto said, “The major objective of the MOU is to build the capacity of the media to advance financial journalism with the overall aim of enhancing transparency, accounting and good governance in Uganda, through well-researched, balanced, investigative, and in-depth analyses of finance and business issues.”

ABOUT WALTER WAFULA

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