

**IMPACT OF BUDGETING PROCESS ON FIRM
PERFORMANCE OF PLANTATION COMPANIES IN CENTRAL
PROVINCE OF SRI LANKA**

By

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ABSTRACT

This study is aimed to evaluate budgetary process of registered plantation companies in central province and see whether budgetary process has significant impact on firm performance of such industry. The study is conducted Central Province. The budgetary process has been a part of management control system of the organization. This process encourages managers to plan, consider the stakeholders involved, provides information for improved decision making, increases and enhances communication and coordination among departments, and for evaluation.

The conceptualization framework of this study consists of independent variable (budgetary planning, budgetary coordination, budgetary control, budgetary communication and budgetary evaluation) and dependent variable is firm performance. Primary data collection method were used in this research. The primary data were collected using questionnaires from the plantation company owners/management. Convenience sampling procedure is used in this research study and sample consists with ninengthy management level employees of plantation companies in central province. Sample and the questionnaires was analyzed using five point likert scale model.

Further collected data were analyzed by using the SPSS computer package for interpreting and obtaining conclusion. Univariate analysis was used to find out the values for mean, standard deviation and percent by using the variables. Bivariate analysis and multivariate analysis was used to find out the impact and relationship between cost budgetary process and firm performance.

The overall research findings indicate that the correlation coefficients and regression analysis showed that budgetary process have significant associations with the organizational performance of plantation sector in central province. This confirms that efficient plantation companies maintain sound budgetary process which contributes to higher levels of organizational performance.

Keyword: Budgetary Planning, Budgetary Coordination, Budgetary Control, Budgetary Communication, Budgetary Evaluation and Firm Performance.

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