

A STUDY ON THE ANALYSIS OF OPERATING EXPENSES OF SELECTED COMPANIES IN SRILANKA



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ABSTRACT

This paper is aimed at analyzing the operating expense of selected companies in Sri Lanka. The operating expense is dependent by using three dimensions. Such as,

1. Administrative expense
2. Selling and distribution expense
3. Financial expense

This study attempted to give some knowledge about the analysis of operating expense of selected companies in Sri Lanka. The major problem behind this study was "What is the structural level of operating expenses among the companies?". Listed companies in Colombo Stock Exchange have been studied in five business sectors.

This study consists of sample of 25 companies in listed in Colombo stock exchange. Secondary data were collected for this study. Secondary data collected from 'annual report of company. Excel and SPSS package are used for data analysis and presentation. Collected data were analyzed and evaluated as low level, moderate level and high level. Descriptive statistic analysis was made to find out the average level of administrative expense ratio, average level of selling and distribution expense ratio and financial expense ratio.

According to the results show that there is high level in administrative expense, moderate level in selling and distribution expense and low level in financial expense of the selected companies in Sri Lanka.

TABLE OF CONTENTS

CONTENTS	PAGE NO
Acknowledgement	i
Abstract	ii
Table of Content	iii
List of Tables and Figures	vi
 CHAPTER ONE: INTRODUCTION	 1 - 5
1.1. Background of Study	1
1.2. Problem Statement	3
1.3. Research Question	3
1.4. Objective of the Study	4
1.5. Significance of the study	4
1.6. Scope of the study	5
1.7. Summary	5
 CHAPTER TWO: LITERATURE REVIEW	 6 - 15
2.1. Introduction	1
2.2. Operating expense	1
2.3. Operating expense ratio	9
2.4. Administrative Expenses	10
2.5. Selling and distribution	13
2.6. Financial expenses	14
2.7. Summary	15
 CHAPTER THREE: CONCEPTUALIZATION AND OPERATIONALIZATION	 16 - 19
3.1. Introduction	16
3.2. Conceptualization	16
3.2.1. Structure of operating expenses	17
3.2.2. Level of Administrative Expenses	17
3.2.3. Level of Selling and distribution expenses	18

3.2.4. Level of Financial expenses	18
3.3. Operationalization of Variables	18
3.4. Summary	19

CHAPTER FOUR: METHODOLOGY 20 – 25

4.1. Introduction	20
4.2. Study Setting, Design and method of survey	20
4.2.1 Study Setting	20
4.2.2 Study design	20
4.2.3 Method of Survey	20
4.3. Sampling	21
4.4. Data source and method of Data collection	23
4.5. Measurements	23
4.6. Data Presentation and Analysis	24
4.6.1 Data presentation	24
4.6.2 Data Analysis	24
4.7. Method of data evaluation	24
4.8. Reliability and Validity of the Data	24
4.9 Summary	25

CHAPTER FIVE: DATA PRESENTATION AND ANALYSIS 26 - 36

5.1. Introduction	26
5.2. Data presentation	26
5.2.1 Frequency distribution of administrative expenses	26
5.2.2 Objective 1: Find out the level of administrative expenses of Sri Lankan Company	27
5.2.3 Frequency distribution of selling and distribution expenses	28
5.2.4 Objective 1: Find out the level of selling and distribution of Sri Lankan Company	28
5.2.5 Frequency distribution of financial expenses	29
5.2.4 Objective 1: Find out the level of financial expenses of Sri Lankan Company	30
5.3 Descriptive statistics for research variables	30

5.4 Trend Analysis	31
5.4.1 Trend of Administrative expense	31
5.4.2. Trend selling and distribution expense	32
5.4.3 Trend in financial expense	33
5.5 Find out the level of operating expense ratio by the sector.	34
5.6 Find out the significance variation by the sector of Sri Lankan companies.	34
5.6.1 One way ANOVA test	34
5.6.2 Post Hoc Test	35
5.7 Summary	36

CHAPTER SIX: DISCUSSION OF FINDINGS 37 - 39

6.1. Introduction	37
6.2. Discussion on the variables	37
6.2.1. Administrative expense	37
6.2.2. Selling and distribution expense	37
6.2.3. Financial expenses	38
6.3. Discussion on descriptive statistics of the variables	38
6.4. Level of operating expense	38
6.5. Significance variation of operating expense by the sector of Sri Lankan companies	39
6.6. Summary	39

CHAPTER SEVEN: CONCLUSIONS AND RECOMMENDATIONS 40 - 42

7.1. Introduction	40
7.2. Conclusions	40
7.3. Recommendations	41
7.4. Limitations	42
7.5. Summary	42
References	vii
Appendix 1 Collected Financial Information	x