

**APPLICATION OF MANAGEMENT ACCOUNTING
PRACTICES AMONG MANUFACTURING FIRMS IN THE
EASTERN PROVINCE OF SRI LANKA**

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ABSTRACT

An empirical knowledge gap was observed regarding the application of management accounting practices in manufacturing firms of the Eastern province of Sri Lanka. Therefore, in order to fill this empirical knowledge gap, this study was carried out with the objectives of find out the level of management accounting practices and identifies the significance differences among the manufacturing firms in the Eastern province of Sri Lanka regarding the management accounting practices. The data of this study have been collected from 45 manufacturing firms in the Eastern province of Sri Lanka through structured questionnaire. Analysis of data has been done through SPSS and this research study was used to analyze the data through main data analysis such as descriptive statistics.

The findings of the study suggested that among the management accounting practices, cost accounting highly using by the respondents while CVP analysis, quantitative techniques and budgeting and capital budgeting are using moderate level. And also findings of the study stated that all the manufacturing sectors which are in the Eastern province are using management accounting techniques are moderately using, moreover to examine the differences regarding management accounting practices among the managerial level staff in the manufacturing firms and it is concluded that in the age level 30 - 35, male and educational level G.C.E (A/L) qualified respondents are highly using management accounting techniques in the manufacturing firm. Finally the findings indicate that lack of awareness by top management of management accounting practices, more emphasis on financial information, high cost of using the management accounting practices and lack of needed information are the barriers in the efficient implementation of the management accounting techniques. Finally, it is providing recommendation on each variable of MAP. By identifying the ways to improve each variable, the firms can enhance its MAP.

Keywords: Management Accounting Practices, Management Accounting Techniques, Manufacturing firms, Eastern province, Sri Lanka

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