

**A STUDY OF BUDGETING PROCESS ON FIRM
PERFORMANCE IN PLANTATION INDUSTRY
SPECIAL REFERENCE TO NUWARA ELIYA DISTRICT**

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ABSTRACT

This research was conducted to investigate the impact of budgeting process on firm performance in plantation industry, special reference to Nuwara Eliya district. Sri Lankan economy is concerned, plantation industry which is included with the traditional three crops, tea, rubber and coconut and earns large amount of foreign exchange to the country and provides many employment opportunities. This research intends to gain deeper understand about how budgeting process affects the firms performance in plantation industry. Objective in this study were identified as to understand the nature of budgeting process, to understand the nature of firms performance, to identify the relationship between the budgeting process and firm performance and understand impact of budgeting process on firm performance.

In order to fulfill those objectives seven plantation firms were taken as the population. 92 employees selected as the sample. Then structured Questionnaire were conducted in order to collect primary data. Questionnaire consist two parts. Part -I is personal information and Part - II include research information. Research information contains 25statement.SPSS software and Microsoft excel software were used in this regards.

Findings of this study show that there is a strong positive relationship between budgeting process and organizational performance. It's clearly showed that budgeting process are in high level among firms in Nuwara Eliya district. The findings of the study shall assist them in developing a set of actions of a relevant strategy in order to enhance the level of budgetary performance and managerial performance. Researcher suggests some recommendation through this study. It is recommended to establish a well-developed incentive package in order to motivate employees to achieve budget plans, important to conduct better planning procedure for the firms who are not still concentrate on that and also firm can give conventional hour, who meet a certain quota or achieves specific goal, as well as firm can create relaxed work place.

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