



# **3<sup>rd</sup> National Research Symposium on Management**

## ***Wisdom for Sustainability***

*Youth Engagement through Research and Innovation*

# **Symposium Abstracts**

**Faculty of Management Studies  
Rajarata University of Sri Lanka,  
Sri Lanka.**

**20 August 2020**

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## Message from the Vice Chancellor



It is my privilege and pleasure to write this message for the 3<sup>rd</sup> National Research Symposium on Management (NRSM). The main objective of the NRSM is dissemination of new knowledge gained through research conducted by the young academic community of the University, researchers and practitioners from other higher education institutes and industry. This Annual Research Symposium provides an ideal opportunity to highlight the research capability and potential of researchers between industry and academic staff.

The symposium of this year is centred on the theme “*Wisdom for Sustainability: Youth Engagement through Research and Innovation*” which provides the perfect platform to discuss the environmental conditions amidst global pandemic COVID-19.

I congratulate the members of the organizing committee for their commitment and dedication for a successful event.

**Dr. B.A. Karunaratne**

*Vice Chancellor*

*Rajarata University of Sri Lanka*

## Message from the Dean / the Conference Chair



As Chair of the 3<sup>rd</sup> National Research Symposium on Management (NRSM), I am pleased to bring a note of appreciation to the NRSM 2019/2020.

This year has been a significant one as we, Faculty of Management Studies, Rajarata University of Sri Lanka, have decided to hold this prestigious conference virtually. With that growth comes the associated challenges. Therefore, the 2019/2020 symposium is organized to address those challenges. Our theme, “*Wisdom for Sustainability: Youth Engagement through Research and Innovation*”, was created by this amazing gathering of scholars to bridge the gaps in management theories and practices in a new and fresh way. The conference will showcase innovative research utilizing revolutionary knowledge and provide valuable opportunities for quality research and business solutions in the region.

I hope this symposium will allow participants not only to excel in research but also to have discourses on management practices. Our keynote address will cover in-depth underlying issues in research in management at our conference. I heartily appreciate them.

As the symposium chair, I understand that the success of the symposium depends on the many individuals who worked with us in planning, organizing and support the symposium. I am constantly amazed at the support of Vice-Chancellor Dr. B.A. Karunaratne, who has a very clear desire to promote advanced research in the field of management.

I am especially thankful for the committee's wise advice and brilliant suggestions for organizing the symposium. All recognition should go to the committee members who worked extremely hard on the important aspects of the conference program.

Mostly, presenters, I thank you for enriching the conferences from your attendance. As a tradition with symposiums, I hope you enjoy the content, get new ideas and most of all have a great discussion.

**Prof. W.P. Wijewardene**

*Dean, Faculty of Management Studies  
Rajarata University of Sri Lanka*

## Message from the Co-Chair



It's with great pleasure I forward this message to the Symposium Proceedings of 3<sup>rd</sup> National Research Symposium on Management 2019/2020 (NRS 2019/2020), organized by the Faculty of Management Studies, Rajarata University of Sri Lanka. Serving the Faculty's mission to explore knowledge through research in volatile environments, every year, the symposium provides a forum to novice researchers and scholars all over the country to share the management insights.

As we all know, the COVID-19 pandemic; a crisis like no other, has turned our world upside down, causing tragic loss of life and disrupting our social and economic order, where humanity is facing one of its darkest periods in the living memory. Almost all the pre-planned programmes were affected by the obstacles and restrictions of this catastrophe and the process of staging NRS was no exception. Yet, new problems always bring new solutions. Thus, we are proud to present this first-ever virtual symposium of the University, NRS 2019/2020, hurdling the limitations of physical gathering. At this point, I extend my sincere gratitude to all the authors who kept trust in us and tolerated until the fresh solution worked out.

This time our symposium focusses on "*Wisdom for Sustainability: Youth Engagement through Research and Innovation*". Wisdom takes us beyond the boundaries of knowledge and gives us the power to make sound judgments by applying the knowledge properly based on experience, evaluation, and lessons learned. Being the lifeblood of a country, young generations have a fundamental responsibility to seek knowledge through research and innovations, where such endeavours open up fresh avenues to find and share sensible applications of knowledge. Especially in a turbulent era like this, it has become a timely and valuable need than ever, as the lessons of the disaster urge us to look for more meaningful ways to reach sustainable development. Thus, we strongly believe that this event would create a quite facilitating ground to go in search of wisdom by encouraging the educated youth in open and constructive dialogues in research and innovation initiatives.

If not for the wonderful support of Dr. B.A. Karunarathna, the Vice Chancellor of Rajarata University of Sri Lanka, Prof. W.P. Wijewardene, Dean of the

Faculty of Management Studies, Heads of the Departments and academic staff members of the Faculty, administrative and non-academic staff members of the University, and the commitment and dedication of symposium committee this event would not be a success at all. Therefore, I extend my sincere gratitude to all of them. Especially I need to remind thankfully, the kind cooperation of Prof. Arosha S. Adhikaram, Head, Department of Human Resources Management, Faculty of Management and Finance, University of Colombo, humbly accepting our request to deliver the keynote address amidst her busy schedule of work.

On behalf of the Symposium Committee, I wish you all a successful and productive time at the symposium.

**Dr. (Mrs.) C.M.Y.S.S. Bandara**

*Department of Business Management*

*Faculty of Management Studies*

*Rajarata University of Sri Lanka*

## Keynote Speech



It is a pleasure to be a part of the Faculty of Management Studies, Rajarata University of Sri Lanka organizing its 3<sup>rd</sup> National Research Symposium on Management, and to share my thoughts on an important topic – Wisdom for Sustainability: Youth Engagement through Research and Innovation.

COVID-19 pandemic is undoubtedly an unprecedented wake-up call for all of us - for individuals, families, companies, societies, countries and the whole world - to think about how things have been, how things are and how things should be. It certainly laid bare our failures and the need to pay more attention to sustainability.

What is sustainability, then? It is the ability of something to be maintained at a certain rate or level and is broadly used to indicate programs, initiatives and actions aimed at safeguarding a particular resource. Sustainability is discussed in different ways in different contexts. In the business context we talk about four distinct areas of sustainability as human, social, economic and environment. In other words, we talk about how businesses should sustain as enterprises that has minimal negative impact - or potentially a positive effect - on its employees, the global or local environment, the community, and the economy.

With the revitalized interest and colossal need for sustainability, we need to revisit and explore deeper some of the important concepts and actions related to sustainability – which the current theme of the conference appear to aspire. As such, the order of the day is to first put the theme of the research conference into perspective, for which, I need to raise some pertinent questions. How is sustainability achieved through wisdom? How does research and innovation lead to wisdom or how is wisdom achieved through research and innovation? And finally what is the role of research and innovation in sustainability?

How is sustainability achieved through wisdom? Wisdom is a critical element in decision making and implementation, and also in the sustainability of a decision. As such, wisdom plays an important role in developing new and viable business practices, and making decisions with regard to sustainability. Wisdom is not a virtue that is inborn, it is something that can be acquired through experience. Anyone who is interested in trying out new things and

engage in reflections has the ability to gain wisdom. This brings us to the second question that I raise; how does research and innovation lead to wisdom? Wisdom is built upon knowledge. That means you can be both wise and knowledgeable, but you can't be wise without being knowledgeable. And knowledge entails research and innovation. Research and innovation is also about trying out new things and engaging in reflections. At the same time, the objective of research is to contribute to knowledge whereas the objective of innovation is to contribute to outcome. Then again, knowledge can be used to change the outcome. Research is also identified to play a critical role in the innovation process. And perhaps basic research helps to develop knowledge that opens up the realm of possible innovations. But of course, there can be research without innovation and innovation without research. Hence, how research and innovation is linked and provides a synergetic effect while also contributing to knowledge and wisdom individually is clear, and as such how they can be used to achieve sustainability is established.

Now I move onto my third question related to the topic under discussion; what is the role of research and innovation in sustainability? Research and innovation generate new ideas, provide an understanding of organizational capabilities, explore what organizations do right and what they do wrong, find ways of making connections, developing new practices, generating new knowledge and understanding, benefiting from rather than repeating past mistakes and failures. Thus, research and innovation can contribute immensely to sustainability by generating new ideas, identifying what is done wrong and what is done right, suggesting better solutions, developing new practices and providing new understanding. Within this backdrop, to achieve sustainability through wisdom, academics, researchers, and graduates, whether old or young - have a key role to play by engaging in research and innovation. As the famous saying goes 'With age comes wisdom. With youth comes innovation. Combine the two, and they are unstoppable'.

Hence, contribute to wisdom for sustainability, by engaging in more research and innovation addressing issues related to sustainability on one hand, and then by reaching out to industry with the findings, on the other. Forming more stringent links between the researchers and the industry and promoting research and innovation is paramount in this endeavor. It is also important to engage in research – both applied and basic - of good quality without violating research ethics. If not, you will not be doing justice to knowledge, yourself,



and to the society, you would also not be contributing to any development, sustainable or otherwise. Be accountable to your audience, promote the truth and minimize error without fabricating, falsifying, or misrepresenting research data.

We will talk more about wisdom for sustainability: youth engagement through research and innovation at the conference on 20<sup>th</sup> August 2020 at the conference. With that, I would like to convey my very best wishes for an effective, successful and productive Conference. I am sure the paper presenters will carry with them pleasant memories of the Conference.

I wish Faculty of Management Studies, Rajarata University of Sri Lanka all the best in all their future endeavors!

**Prof. Arosha S. Adikaram**

*[PhD (Col); MA in Labour Studies (Col); BBA (Col); CTHE (Col); Accreditation for Teaching in Higher Education (SEDA-UK); AMCIPM (SL)]*

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## **Accountancy and Finance**

# **An empirical study of students' satisfaction with professional accounting education program: Special reference to domestic professional accounting education institutions in Sri Lanka**

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## **Abstract**

For the successful survival in the higher education market with the increasing competition, these institutions need to focus more on the factors affecting student satisfaction with the programs they offer and gain their loyalty. Many studies had widely studied students' satisfaction in relation to higher education institutions. This study aims at analyzing the factors affecting to students' satisfaction in professional accounting courses offered by professional accounting education institutions. It further aims at assessing the impact of students' satisfaction to determine students' loyalty in their professional accounting education institutions. It is evident that a significant gap exists between students enrolment and the rate of students' passing out as professional accountants as per the annual reports of the Institute of Chartered Accountants of Sri Lanka and the Institute of Certified Management Accountants of Sri Lanka (2014-2018). The population of the current study consisted of 54,244 professional accounting students (38,244 students represented from the Institute of Chartered Accountants of Sri Lanka and 16,000 students represented from the Institute of Certified Management Accountants of Sri Lanka), out of which a sample size of 500 students was selected upon multi-stage sampling. The study adopted a deductive research approach and distributed 500 questionnaires which had a response rate of 80%. The data were analyzed using structural equation modeling via SPSS and AMOS versions 25. The study concluded that course assessment and institutional image, teaching methods, teaching staff, course organization and infrastructure facilities, institutional administration and efficiency are the significant impacts on the student satisfaction. And also, it concluded that the students' satisfaction significantly depends students' loyalty. This study added value to the literature by focusing on the students' satisfaction from two extreme angles (i.e., students' need and loyalty) and introduced a new model which would enhance the appropriate administration of the Professional Accounting Education Institutions.

**Keywords:** *Higher education, loyalty, professional accounting education institutions, satisfaction.*

# **Audit Expectation-Performance Gap (AEG) and independent audit report, in the context of listed companies in Sri Lanka**

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## **Abstract**

Corporate scandals across the globe have recently brought the auditing profession to the spotlight. The difference between the perceived performance of auditors and society's expectations regarding their services known as the 'Audit Expectation-Performance Gap' (AEG). AEG has a long history and its pervasiveness of AEG is not in doubt. Nevertheless, it appears that there has been a lack of studies in Sri Lanka concerning the AEG and the independent auditors' report. Therefore, the present study attempted to determine the AEG resulting from the audit report in Sri Lanka. A positivist approach was adopted, and a structured questionnaire survey was conducted involving 50 professional auditors (the response rate was 100 per cent) and 50 investors from listed companies (the response rate was 100 per cent). The findings of the independent sample t-test showed that there was a statistically significant difference between the perceptions of professional auditors and investors regarding the duties of auditors in the Sri Lankan context. The relative contribution to the overall AEG was much of the gap in the AEG was attributable to auditors' duties regarding the audit report. Thus, auditors' duties regarding the audit report are the leading cause of AEG. The policymakers and regulators need to initiate the appropriate policy framework to minimize the AEG in Sri Lanka.

**Keywords:** *Audit expectations gap, audit report, duties of auditors.*

# **Board composition, ownership structure and firm performance: Sri Lankan evidence**

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## **Abstract**

Board of directors are representatives of the shareholders and other stakeholders of the firm. The board of directors and ownership structure of a firm is crucial to the firm's performance. The objective of this paper is to investigate the impact of board composition and ownership structure on firm performance in Sri Lanka. The data analysis is conducted using panel data analysis for a sample of 100 listed firms on the Colombo Stock Exchange (CSE) for the period from 2014 to 2018. The analysis of the data suggest that firm performance on the selected firms is affected by board composition and ownership structure variables. The results of this study reveal that there is a significant and positive association between board size, institutional ownership and firm performance. The result indicates that larger board size had a positive impact on firm performance. The results also confirm that independent directors make up the vast majority of board members and that has a significant positive effect on firm performance. Although the foreign ownership is found to be insignificant determinant of firm performance. The study implies that better board composition, and ownership structure are imperative for every firm and should be encouraged for the interest of the investors and other stakeholders.

**Keywords:** *Board composition, firm performance, ownership structure.*

# Cash conversion cycle and financial performance of Sri Lankan firms

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## **Abstract**

Cash conversion (i.e., liquidity) and financial performance (i.e., profitability) and the balance between both are challenging decisions while conducting a firm in day to day operations. The purpose of this paper, is to investigate the relation between the length of cash conversion cycle and financial performance for a sample of listed firms on the Colombo Stock Exchange (CSE). This study is based on secondary data of 100 listed firms, pertaining to a period of five (2014-2018) years. The cash conversion cycle as independent variable is calculated as number of days of accounts receivable plus number of days of accounts inventories minus number of days of accounts payable. In addition, the financial performance is measured by return on assets. Accordingly, the firms with shorter cash conversion cycles are more likely to be highest financial performance than firms with longer cash conversion cycles which suggests that there exists an optimal level of investment in current assets. These results suggest that managers of the Sri Lankan firms can improve the financial performance of their firms by shortening the cash conversion cycle. Cash conversion cycle should be the concern of firms from different size levels and industry where managers can increase financial performance of their firms by shortening the cash conversion cycle.

**Keywords:** *Cash conversion cycle, Colombo Stock Exchange, financial performance.*



# Corporate transparency and firm value: Evidence from Sri Lanka

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## Abstract

Corporate transparency is a pillar of corporate governance which disclose material information to their shareholders to reduce the agency cost and enhance the investors' confidence through that companies share price might be boosted up. However, managers always like to share their positive information and deliberately hide the negative sides since they believe those may affect the firm value negatively. Therefore, it creates a conflict whether corporate transparency impact of firm value or not. The purpose of this study is to investigate the effect of corporate transparency on firm value of listed companies in Sri Lanka. The study employed 100 companies listed under the five sectors in the Colombo Stock Exchange (CSE) for the period of 2017 and 2018. A linear regression model was employed to test the effect of corporate transparency on firm value. Corporate transparency was measured through a modified corporate transparency index and Tobin's Q was employed to measure firm value. Findings of the study suggest that corporate transparency have a significant positive effect on firm value in Sri Lanka. The results explained that improving the level of transparency and disclosure firms can reduce asymmetry of information and improve firm value. This study contributes to the extant literature and fills the existing gap in Sri Lanka. And also, this study distinct from previous empirical research as the transparency & disclosure level is measured using a modified corporate transparency index based on various previous studies and code of best practices on corporate governance 2013 which provide new insights about corporate transparency indicators. Based on these findings companies should enhance their transparency level while regulators need to consider the development of mandatory disclosure to develop overall corporate transparency of Sri Lanka.

**Keywords:** *Colombo Stock Exchange, corporate transparency, firm value.*

# Determinants of market share prices in blue-chip companies listed in Colombo Stock Exchange

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## Abstract

The determinants of share prices are often a matter of debate. Various researchers have found different factors that determine the share prices for different markets. Consequently, this study aims to identify the determinants of market share prices in 20 Blue-chip companies listed in the Colombo Stock Exchange for the period covering the most recent five years (from 2015 to 2019). Six determinants [i.e., earnings per share, dividend per share, book value, price-earnings ratio, gross domestic product, and inflation rate] were selected as the independent variables of the present study. The dependent variable was market share price and it was measured by closing share price at the end of the respective financial year. The study was executed regression analysis on panel data to achieve the study objectives. The results of the study revealed that earnings per share, book value, and price-earnings ratio have a positive impact on the market share prices, while gross domestic product shows a negative impact on the market share prices. Hence, the result of the present study supports by making a change in earnings per share, book value, and price-earnings ratio and firms can expect a positive result from the market share prices. However, dividend per share and inflation rate were not the significant determinants of market share prices of the selected companies. Thus, it could be concluded that evidence is mixed with the determinants of the market share prices of the Blue-chip companies listed in the Colombo Stock Exchange. It believed that the result of the study is vital to the market participants, such as investors, stock dealers, investment managers, and others who wish to be aware of the changes in share prices by observing the determinants used in this study.

**Keywords:** *Blue-chip companies, determinants, market share price.*

# **Environmental management accounting adoption in listed manufacturing firms of Sri Lanka: Contingency theory perspective**

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## **Abstract**

Environmental management accounting (EMA) has become a trending topic in recent years because the business community can manage its environmental and associated economic performance more easily by adopting EMA to companies. The development of the study is, therefore, vital at present in order to identify contingent factors on the EMA at the organizational level. The research presented here was aimed at broadening the knowledge of EMA by investigating whether there is a tendency for listed manufacturing firms to adopt EMA in Sri Lanka. Based on contingency theory, the investigation is intended to identify the circumstances under which organizations are more likely to engage in the activities of the EMA. The target population for this study was the manufacturing firms listed by the CSE in Sri Lanka. To collect the primary data, the questionnaire was developed as a google form and distributed to 40 listed manufacturing firms. Questionnaires were responded by Management Accountants and Accountants of each firm. Environmental strategy, managerial commitment, organization structure and industry are employed as independent variables as well as EMA is the dependent variable in this study. According to correlation and regression analysis, the data suggested that EMA use was associated with environmental strategy, managerial Commitment and environmentally-sensitive industries. Conversely, the organisational structure was not found to be associated with EMA use in their organisations. These findings further enhance the potential of contingency-based research for current knowledge and understanding of the rationale behind the development of EMA.

**Keywords:** *Environmental management accounting, listed manufacturing firms, contingency theory.*

# Factors influencing on effective inventory management in SMEs in Nuwara Eliya district

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## Abstract

Effective inventory level is a vital part of the manufacturing organizations. Therefore, they pay more attention towards the effectiveness of inventory management with the intension of gaining competitive advantage. The previous studies concluded that several factors influencing on effective inventory management in organizations. However, there is a lack of research studies carried out in the field of inventory management in small and medium enterprises in the Sri Lankan context. Therefore, the purpose of this study is to examine the factors that influence effective inventory management in small and medium enterprises (SMEs) in Nuwara Eliya district. Convenient sampling method was employed, and 100 SMEs have been selected as the sample of this study. This research is based on primary data collected using a structured questionnaire that was distributed directly among owners, manager and stores keepers as respondents. Descriptive statistics and inferential statistics were considered to analyze the data and hypotheses were tested based on regression results. This study was conducted on four hypotheses, which were constructed to test the impact of Inventory Control Planning, Documentation, Funding and Employee Skills on effective inventory management of SMEs in Nuwara Eliya District. The findings of this study revealed that Inventory Control Planning and Skills of Employees have a significant impact on Effective Inventory Management, while Documentation and Funding have not significant impact on Effective Inventory Management. Findings support to the practical implications of owners and storekeeper's role how to maintain successful inventory management process in an organization and build up future planning as well as adapt skills of the staff are important in managing practical issues in inventory management.

**Keywords:** *Documentation, effective inventory management, funding, inventory control planning, skills of employees.*

# Factors impact on auditors' independence: Evidence from the auditors in Sri Lanka

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## Abstract

The audit opinion in the financial statements is a vital element, as it provides assurance on the basis of the financial statements. The Auditors' Independence (AI) has been a contentious issue in a developing country like Sri Lanka. As a result, the AI factor is gradually increasing and this situation can lead to the collapse of companies in Sri Lanka. The aim of this study was to identify factors that have an impact on the independence of the auditors. There is limited research in this particular area in the local context. The research framework is based on factors that include, in particular, audit fees, the size of the audit firm, the tenure of the audit firm, the provision of NAS and the level of competition. This study collected data from 100 respondents working in audit firms in Sri Lanka using questionnaires and used the convenient sampling technique. Reliability analysis, descriptive analysis, correlation analysis and regression analysis were mainly used. The results of the regression analysis showed that there is a significant positive relationship between the audit fee, the size of the audit firm and the level of competition with the independence of the auditors. Focusing on these research auditors, relevant managers and owners can identify factors that affect the independence of the auditors in Sri Lanka. Finally, the researcher concluded that Auditors' Independence is affected by the audit fee, the size of the audit firm and the level of competition. This study focused on limited respondents due to limited availability of data. Future research should, therefore, extend the respondent groups to the other users of financial statements such as shareholders, regulators, members of the audit committee.

**Keywords:** *Audit fee, size of audit firm, tenure of audit firm, provision of NAS level of competition, auditors' independence.*

# **Impact of assets efficiency management on the profitability of the manufacturing sector in Sri Lanka**

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## **Abstract**

Assets efficiency management refers to the ability of a company to utilize its assets efficiently to generate a maximum revenue and income for the company. Assets utilization efficiency is generally measured by the assets turnover ratios comprising of total assets, non-current assets, and current assets turnover ratios. All these ratios are computed relating the net revenue or sales, being the numerator, to the respective assets values as the denominator. Higher ratios indicate higher efficiency of assets utilization. However, the efficiency level would vary widely among the companies in various industries. In the manufacturing sector, the tangible assets are essential and consumes huge investment. Management of manufacturing companies is more concerned on its efficient utilization of non-current tangible assets. The real benefit of assets efficiency should be realized when it only contributes to the firm's profitability improvement. The objectives of the study are to find out any significant impact of assets turnover ratios, as the indicators of assets efficiency management, on the return on assets, as the indicator of the profitability of manufacturing firms in Sri Lanka. Hence, this study hypothesized a positive impact of asset efficiency on the profitability with literature support, and empirically investigated the phenomenon among the Sri Lankan listed companies in the manufacturing sector using the 100 data observed in the financial statements of 25 sample companies during the 4 years period from 2015 to 2018. The concept of assets efficiency was measured with three independent variables namely Total Assets Turnover Ratio (TAT), Non-Current Assets Turnover Ratio (NCAT), and Current Assets Turnover Ratio (CAT). Profitability, the dependent variable, was measured by Return on Assets (ROA). The study applied panel data regression analysis using STATA to find out the results. The analysis showed that the Random-effects GLS regression model is found more appropriate, which shows all three assets turnover ratios TAT, NCAT, CAT) have significant positive effect on the ROA indicated with the regression coefficients of 1.969104, 0.8840228, and 0.5728427 respectively. Hence, it is concluded that efficient asset utilization in generating revenues shall significantly contribute to the profitability improvement in the manufacturing sector in Sri Lanka.

**Keywords:** *Assets efficiency, assets turnover ratios, return on assets.*

# Impact of corporate governance attributes on firms' capital structure: Evidence from listed companies in Sri Lanka

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## **Abstract**

Capital structure decisions are very critical to a firm and determination of an optimal capital structure is a difficult task. On the other hand, corporate governance is an emerging discipline which is important for a firm's survival and success. Corporate governance assists companies via better management practices, stringent monitoring and efficient utilization of firms' resources resulting in improved performance. Thus, firms with well-established governance structures find easy access to credit at a lower cost. Hence identifying the relationship between corporate governance and the capital structure decisions will be given a better advantage to the firm. The sample of the study consisted of 50 listed companies which covers all non-financial sectors of Colombo stock exchange for three years period from 2016 to 2018. The study consists of corporate governance attributes of board committees, the board size, CEO duality and board composition. In addition, control variables of profitability and firm size. Further debt ratio was used as the proxy to measure the capital structure. Multiple regression analysis was used to investigate the impact of corporate governance attributes on firms' capital structure. The findings revealed that CEO duality has a significant negative impact on capital structure whereas board committees, the board size and board composition have no significant impact on capital structure. Further overall research study reveals that corporate governance has lesser implications on the capital structure and financing decisions of Sri Lankan listed firms. These corporate governance attributes are not creating a significant background condition to influence on the financing decisions directly. The validity of the research model needs to analyze for a wider sample of firms in different markets.

**Keywords:** *Capital structure, corporate governance, debt, equity capital, Sri Lanka.*

# **Impact of corporate social responsibility on financial performance: Empirical evidence from Sri Lankan listed companies**

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## **Abstract**

Nowadays the concentration on Corporate Social responsibility (CSR) has increased in the emerging economies. However, in Sri Lankan context there is a dearth of studies conducted by scholars in relating to the relationship between CSR and financial performance. Researchers conducted in other countries have proved that the impact on CSR on firm performance is varied with time, country and method used to measure CSR. The results of this research related to this relationship are inconclusive. Most of the studies considered banking and finance sector as the sample of their studies. Therefore, this research tries to fill this research gap by examining the impact of CSR on firm financial performance in Sri Lankan context. This study reports the results of a quantitative study conducted among 30 companies with highest market capitalization in Sri Lanka as at 28th February 2017 covering 10 sectors listed in Colombo Stock Exchange. The study used archival data obtained from published annual reports of the selected sample for the five-year period from 2012 to 2016. CSR performance was investigated across three dimensions: environmental, social and economic, constructing composite disclosure index using content analysis based on Global Reporting Initiative (GRI). The financial performance is measured in terms of Return on Equity. This study employed correlation and panel regression model to examine the impact of CSR on financial performance after conducting the Hausman test for random effects. Findings of the research suggest that even though the overall level of CSR disclosure is at a low level of 12.86, the positive trend of CSR disclosures can be observed over the five years by listed companies but there need to be further developments. The correlation and panel regression results suggest that CSR is positively associated with firm financial performance. This paper provides new evidence on the impact of CSR on financial performance for listed companies in the Sri Lankan context based on the stakeholder perspective. Accordingly, this study is expected to have significant policy implications where policies and mechanisms should be implemented to promote CSR disclosures in companies which result in growth of corporate sector ultimately result in the economic growth.

**Keywords:** *CSR, financial performance, GRI, stakeholder perspective.*



# **Impact of financial literacy on retirement planning of the private sector employees in Anuradhapura district**

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## **Abstract**

Financial literacy has become increasingly important to manage personal finances with sufficient knowledge, skills, and confidence by individuals before their retirement. But lack of financial literacy is the one reason that individuals do not engage in retirement planning. The present study, therefore, sought to investigate the impact of financial literacy on retirement planning of the private sector employees in Anuradhapura district. According to the literature, the researcher identified knowledge of financial instruments (KFI), knowledge of financial concepts (KFC) and computation capability of retirement requirements (CRR) as independent variables under financial literacy and retirement planning (RPL) as the dependent variable. Descriptive and inferential statistics were used in the analysis of collected data in the study and data were collected from 150 private sector employees by using stratified random sampling technique method and 14,442 private sector employees in Anuradhapura district were considered as the population of the study. In the study, primary data were collected through the self-administrated five-point Likert type questionnaires and data were analyzed via Statistical Package for Social Sciences (SPSS). Findings of the study indicated that knowledge of financial instruments and computation capability of retirement requirements significantly contribute to retirement planning while knowledge of financial concepts has no impact towards the retirement planning. Ultimately, the results of the study concluded that financial literacy significantly impacts on retirement planning.

**Keywords:** *Computation capability of retirement requirements, financial literacy, knowledge of financial concepts, knowledge of financial instruments, retirement planning.*

# **Impact of firm-specific parameters on earnings management in listed companies of Sri Lanka**

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## **Abstract**

In the current turbulent economic environment, much attention has been paid to manipulations in financial statements. Therefore, earnings management practices have to be captured wisely and there might be influences to have such practices in business organizations. This study aims to examine the impact of firm-specific parameters on earnings management in the companies listed in the Colombo Stock Exchange (CSE). For this purpose, a sample of 155 companies was chosen from a total of 289 companies listed in the CSE, excluding financial companies, companies with 31<sup>st</sup> December financial year-ends and companies with incomplete data. Data were obtained from secondary sources for the period of three years from 2017 to 2019, and as a result, 455 firm-year observations were included in the study. Several firm-specific parameters were considered as the independent variables of the study, namely Firm Size, Age, Leverage, Profitability, Growth and Cash flow from Operation. Earnings management, which is the dependent variable of this study, was measured by using the Modified Jones' Model (1995). In addition, governance is included in the study as a control variable. The methods such as descriptive analysis, correlation analysis, Ordinary Least Square (OLS) and panel regression analysis were used. The results of the study revealed that the Firm Size and Age have a significant impact on earnings management in Sri Lankan listed companies. However, the impact of leverage, growth, profitability and cash flow from operations on earnings management was found to be insignificant. As a control variable, governance also appears to be insignificant for Earnings management in Sri Lankan listed companies. This study contributes to the body of knowledge with a different perspective through the listed companies in Sri Lanka.

**Keywords:** *Colombo Stock Exchange, earnings management, firm specific parameters, listed companies.*

# **Impact of microfinance on poverty alleviation in Sri Lanka: Evidence from Matale district**

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## **Abstract**

Poverty is a huge problem affecting people around the world. As a result, almost every country focuses on eradicating poverty. It also has a serious negative impact on the development of Sri Lanka. The Matale district is an administrative district inhabited by people such as low-income workers and plantation workers who are facing serious financial difficulties. Microfinance institutions that can help the poor financially are now talking to society. Poor people are more likely to shift to microfinance institutions than to conventional banks. The main aim of this study is to examine the impact of microfinance on poverty alleviation. Since there are very few studies on the effect of microfinance on poverty alleviation in Sri Lanka, this study was conducted in the Matale district to fill the gap in the literature. The four independent variables used in the study were the amount of the loan, the ability to repay, the accessibility of the loan, the interest rate and one dependent variable were poverty alleviation. In this study, the researcher is motivated to act on the basis of a deductive approach and to launch a study using primary data. The structured questionnaire was used to collect data and the results were generated from the answers obtained from 184 conveniently selected microfinance recipients in the Matale district. Data were analyzed using descriptive analysis, correlation analysis and regression analysis. The study found that microfinance has made a significant contribution to reducing the poverty levels in the Matale district. The results of this study suggest that increasing the amount of the loan extended to the poor, increasing the repayment period and lowering the interest rate on loans as much as possible can improve the living standards of the poor.

**Keywords:** *Micro finance, poverty alleviation, Sri Lanka.*

# Integrated reporting practices in Sri Lankan listed companies

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## **Abstract**

Financial reporting and related non-financial disclosures gain the prominence in reducing agency issue and information asymmetry issues of business organizations. Integrated Reporting (IR) has emerged with this non-financial information requisition. Thus, this study aims to examine the IR practices in Sri Lankan listed companies. Sri Lankan non-financial listed companies which have adopted IR in their corporate annual reporting are considered as the study sample. Accordingly, sixty non-financial companies from fifteen industry sectors adhered to the IR in 2019 and data were collected from their first year of adoption. Hence uneven sample was considered in the analysis with 193 firm-year observations. The present study used a scorecard which is based on content elements of the IR in data collection. Descriptive Statistics were performed was primarily used in explaining the IR practices in Sri Lanka. Results found that the IR compliance level is at 0.77 in Sri Lankan listed companies which show a gradual increase over the period, which is 0.58 in 2011 and recorded at 0.82 in 2019. There are seven content elements in the integrated report and data were collected to measure the compliance of these seven elements. Content analysis revealed that companies are keen on reporting their risk and opportunities (0.94), governance (0.84) and organizational overview and external environment (0.81) aspects more. The lowest disclosure is found in outlook element, which is 0.67. The industry analysis of data found the highest compliance level in the Motors industry (0.90) and lowest compliance from the power and energy industry (0.72). Findings of this study provide insights on IR adoption to the practitioners and policymakers.

**Keywords:** *Content elements, integrated reporting, listed companies in Sri Lanka.*

# Non-professionals' perception and Audit Expectation Performance Gap (AEG) in the context of listed firms in Sri Lanka

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## Abstract

The difference between the actual and the expected performance called as the "audit expectation gap". The existence of the audit expectation gap has a negative influence on the value of auditing and the reputation of auditors in modern society. There are few studies conducted within the Sri Lankan context regarding the audit expectation gap. The present study examined the difference between auditors' perceptions and non-professionals' perceptions regarding the duties of auditors in listed firms in Sri Lanka. Sample included practicing auditors (i.e., audit partners, senior audit managers, audit managers, assistant audit managers, audit supervisors, and senior auditors) and undergraduates studying at Sri Lankan national universities. The Porter model (1993) was adopted to measure the AEG. Data were collected through a structured questionnaire and survey was done with the participation of undergraduates (the response rate was 100%) and professional auditors (the response rate was 82%) of listed firms. The analysis of 91 responses using independent sample t-tests indicates respectively significant perceptual differences in the deficient standards gap (35.33 percent), deficient performance gap (34.95 percent), and unreasonable expectation gap (29.73 percent) affect to the audit expectation performance gap in Sri Lanka. It was noted that policymakers and regulators need to increase community awareness through audit education and enhancement of auditor performance to reduce AEG in Sri Lanka.

**Keywords:** *Audit expectation gap, deficient standards gap, deficient performance gap, unreasonable expectation gap.*

# **Ownership structure and financing decisions: Evidence from listed food, beverage and tobacco firms listed in Colombo Stock Exchange**

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## **Abstract**

Ownership structure is a crucial instrument in alleviating agency problems in corporate with governance. The corporate governance deals with the responsibilities of management and the same time protects the interest of stakeholders. Overall, it has a profound impact on financing decisions of the firm because financing decisions are core and critical decisions for the corporate finance manager. It is always a challenge for the finance manager to satisfy the expectations of shareholders through good financing decision. The study aims to explore empirically the influence of ownership structure on the corporate financing decision from the agency theory perspective. This article contributes to the literature by examining the effects of individual ownership, institutional ownership and managerial ownership on financing decisions of food, beverage and tobacco firm listed in Colombo Stock Exchange. The study utilized secondary data which was collected from annual reports of the listed food, beverage and tobacco companies in Sri Lanka over the period of 2012 to 2018 and only 19 firms were selected as sample by using purposive sampling method. The researcher considered financing decision as dependent variable which was measured by book value of total debt to total assets and the independent variable, ownership structure consists of individual ownership, institutional ownership and managerial ownership. Profitability, firm size and firm age were control variables in this study. The study was conducted by using the techniques of correlation and multiple regression. Empirical results reveal that institutional ownership has a positive influence on financing decisions whereas there is a significant negative impact of managerial ownership on financing decisions and suggesting that managers employ lower debt in order to reduce the performance pressures associated with high debt capital. Moreover, the study explores that individual ownership has not shown any significant impact on financing decisions. Finally, with supporting the results of previous literature, this study reveals that the financing decision is influenced by firm's profitability and firm age. This study provides a comprehensive understanding of the impact of forms of ownership on financing decisions.

**Keywords:** *Financing decision, individual ownership, institutional ownership, managerial ownership.*

# **Pre and post stock market behavior during the presidential election periods in Sri Lanka**

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## **Abstract**

Studying the effect of the presidential elections on the stock market is essential because this could have a direct influence on the volatility of the stock market. During the election period, investors tend to rely on their past experience and make investment decisions. They will also use their previous election experiences to forecast market behavior during current and future elections. The main objective of this study is, therefore, to investigate the impact of the presidential elections on the market behavior of investors using all share price index of the Colombo Stock Exchange (CSE). Following a convenient sampling approach, this study used the movement in all share price index during four presidential elections that were held in 2005, 2010, 2015, and 2019. As the considering period this study uses overall 80 market days as the event window and 120 market days as the estimation period under the event study methodology. According to that this uses the constant mean return model and across that, abnormal return (AR) and cumulative abnormal return (CAR) should be calculated. The statistical significance of the CAR is tested by using the t-test. Finally, this study highlighted that there the same behavior during the 2005 and 2015 election years which are representing positive behavior prior and negative behavior after to the election date. The year 2010 represents that there is a negative behavior during both pre and post periods and year 2019 represents that there is a positive behavior during the both pre and post periods due to the election dates. Investigation of this form of study would make it more relevant for investors and other related parties to assess the effect of the presidential elections on the Sri Lankan stock market.

***Keywords:*** *Presidential election, pre and post, stock market behavior.*

# **The causality effect between global variables, foreign exchange rate and stock prices: A firm level analysis in consumer durables & apparel and energy sectors in the Colombo Stock Exchange**

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## **Abstract**

The emerging trend of investing in stock markets has increased the attention of investors on economic factors. This study aims to examine the causality effects between global variables, foreign exchange rate, and stock prices of consumer durables & apparel and energy entities listed in the Colombo Stock Exchange (CSE) of Sri Lanka, while using monthly statistical data for the period of 10 years starting from July 2009 to June 2019. Two companies from each sector of consumer durables & apparel and energy sectors in the CSE were considered for the firm level analysis. Lack of studies on the causality effects between global variables, foreign exchange rates and stock prices of companies listed in the CSE, made a kind of intensive destination to conduct a research study in Sri Lanka. The study used the Augmented Dickey-Fuller test to detect the stationary level of the time series data and found that all series are integrated at the first difference. The Johansen Cointegration test was employed to find the equilibrium relationship and found that non-existence of Cointegration among the variables. Further, the study used the Granger Causality test to detect the causality effect between variables. The Granger Causality test found a unidirectional causality effect from exchange rate to stock prices of two companies in the consumer durables & apparel and one company in the energy sector at different lag levels. The results also show a unidirectional causality running from gold prices to exchange rate and crude oil prices to stock prices for only one company in the energy sector. The findings also indicated that there is no causality effect between crude oil prices and foreign exchange rate in Sri Lanka. These findings hold practical implications for policymakers, stock market regulators, investors and analysts to make an accurate decision concerning the consumer durables, apparel and energy companies listed in CSE in Sri Lanka.

**Keywords:** *Colombo Stock Exchange, crude oil price, foreign exchange rate, granger causality, gold price, stock prices.*



# **The determinants of working capital requirement: A study of listed manufacturing firms in Sri Lanka**

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## **Abstract**

Working capital and its management is a crucial element in the survival of every firm. While the effective management of working capital leads to value creation process in firms, on the other hand, does not only devastate value but can lead to the eventual solvency of the firm. Therefore, this study is designed to examine the determinants of working capital requirement of listed manufacturing firms in Sri Lanka. Cash conversion cycle (CCC) of the firms was used as the dependent variable for the study whilst the independent variables constituted some characteristic indicators that can affect the working capital requirements such as firm size, profitability, growth, leverage, and operating cycle. Data was collected from 135 annual reports which are related to 27 manufacturing firms listed in the Colombo Stock Exchange (CSE) for five years from 2014 to 2018. The researchers used correlation analysis to measure the relationship between independent and dependent variables. Pooled Ordinary Least Square (OLS) regression also used by the researchers to identify the impact of each determinant on the CCC. According to the correlation analysis, only the operating cycle shows a positive and significant relationship with CCC. Pooled OLS regression analysis also reveals that only the operating cycle is more significant determinant towards working capital requirements of the Sri Lankan manufacturing firms. And other selected proxies such as firm size, leverage, profitability, and firm growth are not significantly support the working capital requirement of the firms. The results of the study may support decision makers and policy makers to make effective policy decisions about working capital management.

**Keywords:** *Cash conversion cycle, leverage, manufacturing firms, operating cycle, working capital.*

# **The factors affecting to farmers' borrowings from informal financial markets: Special reference to Thambuththegama Divisional Secretariat**

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## **Abstract**

The purpose of this study is to investigate the factors effecting to farmers borrowings from Informal Financial Markets (IFMs) with special reference to Thambuththegama secretariat division. In the borrowing of informal financial institutions, farmers have to face various unfavorable conditions. But it is difficult to get them to know the banks and financial institutions and to switch them from informal lenders to formal lenders. Therefore, this study examines the reasons as to why farmers in rural areas borrow informal financial markets without considering a formal financial market. The three independent variables were used in the study as individual factors, household factors, and institutional factors and the dependent variable was the borrowing of farmers from informal financial markets. A self-administered questionnaire was used to collect data from 100 farmers representing the five Grama Niladari divisions. The results of correlation and regression analysis confirmed that farmer's individual and household factors have a significant effect on IFMs. Moreover, institutional factors have no significant effect on borrowings from IFMs. These results show that households rely on informal borrowings, especially when they face with income shocks. It is therefore proposed that formal credit should be extended to rural areas, in particular to small-scale farming households. Policymakers should also consider improving access to extensions through establishing branches and expanding the staff of the financial institutions in the remoter rural area. There is a need to design innovative credit programs targeting specifically poor and small farmers. Formal financial institutions should provide more convenient lending facilities, which would increase household confidence in the use of formal credit.

**Keywords:** *Informal financial markets, borrowing, individual factors, household factors and institutional factors.*

# **The effect of financial management practices on financial performance of small and medium enterprises: Special reference to Kurunegala Divisional Secretariat**

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## **Abstract**

According to the Central Bank of Sri Lanka, Small and Medium Enterprises (SMEs) contribute to generating high economic growth, employment generation, improving innovation capabilities and regional development of a country. But today SMEs vanish as soon as they establish. It is a major problem for the country's economy. As prior researchers have identified financial management as the lifeblood of an organization, financial management may be a crucial factor for the business organizations. Therefore, the current study attempts to identify the effect of the financial management practices on the financial performance of SMEs. The researcher has used 100 SMEs which were registered at Kurunegala Divisional Secretariat, as the sample. The sample was selected based on the simple random sampling technique and used a self-structured questionnaire to collect data. Independent variables for this study were financial reporting and analysis practices, working capital management practices and fixed asset management practices while financial performance was considered as the dependent variable. Respondents were owners or managers of the organization and they were asked to indicate their agreement or disagreement on Five Point Likert as the scaling method. The researcher has used descriptive statistics, Pearson Correlation Coefficient and regression analysis as analysis techniques. According to the research results, all independent variables have a significant impact on the financial performance of SMEs. Therefore, this study recommends improving the financial management practices in SMEs for better financial performance.

**Keywords:** *Financial management practices, financial performance, SMEs.*

# **The effect of investment decisions on the financial performance of small and medium enterprises: Special reference in Kandy district, Sri Lanka**

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## **Abstract**

Small and medium enterprises are the backbone of any economy because they provide solutions for the rising unemployment problems, increase the output of the economy, improve technology, and stimulate innovations. Investment decisions are regarded as the most important decision among major financial decisions of a firm. The objective followed up in this study is to examine the effect of various types of investment decisions on financial performance of small and medium scale enterprises established in Kandy district, Sri Lanka. The respondents of the study were the owners and managers of 100 SMEs. Sample selected by using the convenient sampling method and primary data were collected from the respondents by distributing structured questionnaires. In this study, the researcher used descriptive statistics, reliability testing, correlation analysis to analyse the data and multiple regression analysis to test the hypotheses. Financial performance was measured by Return on Assets. According to the findings, debt financing investment decision and modification of current business decision have significant effect on the financial performance of small and medium enterprises. Expansion a new business and a current business decision have not significant effect on the financial performance. Respondents knowledge and skills selected as a control variable and it significantly affects on financial performance of small and medium enterprises. Therefore, it can be concluded that investment decisions have partial effect on financial performance of small and medium enterprises in Kandy district. Thus, future researchers are recommended to increase the sample size, expand geographical area and also expand the study for large scale business.

**Keywords:** *Financial performance, investment decision, small and medium enterprises.*

# The impact of behavioral factors on investment decision making of investors: Special reference to study on Colombo Stock Exchange

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## **Abstract**

The theory of traditional finance presumed that investors are rational decision makers in stock exchanges and concerning the risk return trade-off and maximizing the utility of their investment. However, behavioral finance studies exposure that human do not behave rationally and there is an impact of the psychology on the financial practitioners and the subsequent effect on markets. This study investigated the impact of behavioral factors on investment decision making of investors in CSE. Four factors, i.e. mental accounting, cognitive dissonance, conservatism bias and familiarity, were used as the independent variables while investment decision making was taken as the dependent variable. A structured questionnaire was distributed among 62 investors in the Colombo Stock Exchange and the sample was selected by using convenient sampling technique from the investors in Anuradhapura district. Multiple regression analysis is used as the main analytical tool to test the hypothesis and Cronbach's alpha was applied to measure the internal consistency of the questionnaire. The findings of the study suggest that conservatism bias and familiarity have a positive and significant impact on investment decision making. Moreover mental accounting and cognitive dissonance does not have a significant impact on investment decision making. The results of this study are important for investors in their decision-making process and are able to provide insights into the behavioral factors such as conservatism bias and familiarity that have a significant effect on investment decisions. The findings of this research would be used by investors, investment managers and policymakers as a guideline for better decision-making and provide future research directions for scholars.

**Keywords:** *Cognitive dissonance, conservatism bias, familiarity, investment decision making, mental accounting.*

# The impact of corporate governance on earnings management of listed companies in Sri Lanka

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## Abstract

Earnings management has gained prominence in the financial reporting process of an organization and corporate governance could be recognized as a means of managing that adverse effect. The aim of this study is to examine the impact of corporate governance on earnings management of listed companies in Sri Lanka. One hundred fifty five (155) companies listed in Colombo Stock Exchange were considered as the sample of the study after excluding financial nature companies, companies with the financial year end of 31st December and companies with incomplete data and data from 2017 to 2019 were collected through secondary data sources. Seven corporate governance variables namely, the board size, board activity, board independence, the existence of audit committee, the existence of remuneration committee, the existence of nomination committee and gender diversity are considered as the independent variables of the study. Earnings management measured through modified Jones model (1995) is the dependent variable of the study. Two control variables namely return on asset and leverage are considered and descriptive analysis, correlation analysis and ordinary least square (OLS) and panel regression analysis were performed. Based on the results of OLS regression and panel regression, it was found that the impact of board size, board activity and gender diversity on earnings management are significant in Sri Lankan listed companies. However, it was found that the impact of board independence and existence of nomination committee on earnings management are insignificant. The findings of this study suggest that the existing corporate governance guidelines need to be revisited to mitigate opportunistic management behavior related to earnings manipulations.

**Keywords:** *Corporate governance, companies listed in Colombo Stock Exchange, earnings management.*

# **The impact of corporate social responsibility on corporate risk: Evidence from listed financial companies in Colombo Stock Exchange**

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## **Abstract**

The purpose of this study is to investigate the impact of corporate social responsibility (CSR) on the risk of listed companies in Colombo Stock Exchange in Sri Lanka. Many research studies have been carried out in the areas of CSR and financial performance related to financial structure in both local and global contexts. However research that integrates CSR and risk has been limited. It has been a matter of whether CSR would affect an entity's firm risk, otherwise the expense of CSR would be in vain. As a result, assessing the impact of CSR on corporate risk of listed financial companies in Sri Lanka was identified as an objective. The study was based on secondary data. Environment, community, and employee related activities were considered as independent variables whereas, corporate risk was identified as the dependent variable. The corporate risk was measured by using Tobin's Q and CSR was measured by using three scale weighted average method. Furthermore, the study used data from a sample of 12 finance companies for 5 years from 2014 to 2018 and employed regression to uncover the relationships that exists between these variables. The findings of the study suggest that environment and community-based CSR activates are statistically significant and have a negative impact on firm risk while employee related activates have no statistically significant impact on corporate risk. Therefore, the study infers that CSR reduces excessive risk taking and risk avoidance.

**Keywords:** *Corporate social responsibility, corporate risk, finance companies.*

## **The impact of corporate social responsibility on earning management of listed companies in Sri Lanka**

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### **Abstract**

The purpose of this study is to investigate the impact of corporate social responsibility (CSR) on the Earning Management (EM) of companies listed in the Colombo Stock Exchange in Sri Lanka. Many research studies have been carried out in the areas of CSR and financial performance in both local and global contexts. However, research that integrates CSR and EM has been limited. It was a matter of whether CSR would affect to change accounting accuracy. The objective of the study is therefore to assess the impact of CSR on EM on listed financial companies in Sri Lanka. The study was based on secondary data. There were three CSR elements, Environment (EN), Government Structure (GS), and Employee (EMP) related activities were considered as independent variables, whereas, EM as the dependent variable. EM was measured by discretionary accruals through the modified Jones Model and CSR was measured by using three scales weighted average method. Furthermore, the sample has chosen based on information available, and no biases were observed based on the omitted firms. The study used data from a sample of 34 manufacturing companies for 5 years from 2015 to 2019 and employed regression analysis to uncover the relationship that exists between these variables. The findings of the study suggest that EMP based CSR activates are statistically significant and have a negative impact on Earning Management while Environment and Governance Structure related activates have no statistically significant impact on Earning Management. Accordingly, this study suggests that companies that have more incorporated their EMP related CSR reports into their annual report engaged less in income-decreasing discretionary accruals.

**Keywords:** *Corporate social responsibility, earning management.*



# **The impact of disclosure of integrated reporting practices on stakeholder value creation: Special references to listed companies in Sri Lanka**

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## **Abstract**

The purpose of this study is to investigate the impact of disclosure of integrated reporting (IR) practices on stakeholder value creation with special reference to listed companies in Sri Lanka. IR has become a new phenomenon in Sri Lanka. The studies conducted in other countries have proved that the impact of disclosure of IR practices on stakeholder value creation varied with time, country, and method used to measure variables and relationship found is inconclusive. Therefore, this research attempts to fill this research gap by examining the impact of disclosure of IR practices on stakeholder value creation. The two independent variables were used in the study as content elements, guiding principles. The dependent variables were earning per share (EPS) and return on capital employed (ROCE). The study applied the method of content analysis. The sample of the study consists of 50 top capitalized listed companies from 2015 to 2018. The authors constructed a disclosure index based on the content elements and guiding principles of the International Integrated Reporting Council (IIRC) and measured the integrated reporting disclosure score (IRS) of each company. Three hypotheses were used to achieve study objectives, whereas hypotheses were tested by the panel regression analyses. The findings of the study statistically confirmed that IR disclosure of both content elements and guiding principles were positively and significantly impact to stakeholder value creation process. Therefore, this study infers that IR is contributed towards the stakeholder value creation, and it would be useful for corporates to decide how effectively the organization can implement IR. Further, the study provides insights on IR adoption to the practitioners and policymakers.

**Keywords:** *Company disclosures, content elements, guiding principles, integrated reporting framework, integrated reporting, sustainability reporting.*

# **The impact of earnings management on stock performance of Sri Lankan listed companies**

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## **Abstract**

Stakeholders are looking forward to obtain financial statements of business organisations in their decision-making process. Accordingly, accounting information plays a major role in determining the stock performance and therefore manipulations occur in the financial statements which are directly connected to the stock performance. When doing manipulations to the organization, it can be misled the investor's decision-making. Thus, this study aims at examining the impact of earnings management on the stock performance of listed companies on the Colombo Stock Exchange in Sri Lanka. One hundred forty (140) companies were selected as the sample of the study where companies in financial sectors, companies with a financial year end of 31st December, and companies with incomplete data were excluded in arriving the final sample. Data were gathered through secondary data sources for the period from 2017 to 2019, and 420 firm-year observations were considered accordingly for the analysis purpose. Earning management measured through Jones Modified Model (1995) is the independent variable of the study, and the dependent variable is stock performance which is measured through stock return and stock price. Firm size measured through the average asset of the company is considered as the control variable of the model. Descriptive statistics, correlation analysis, Ordinary Least Square (OLS), and panel regression analyses were performed in the analysis. The analysis was done by using two models based on two dependent variables. Results found that the impact of earnings management on stock return is significant. However, it further found that the impact of earnings management on stock price is not significant in the sample companies. It implies that in the Sri Lankan context, earnings management is not price-sensitive. However, the stock return is sensitive to earnings management as per the findings of this study. These findings are expected to have significant policy implications.

**Keywords:** *Earnings management, listed companies in Sri Lanka, stock price, stock return.*

# **The impact of enterprise resource planning implementation on management control system and firm performance**

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## **Abstract**

Organizations often seek to protect their market share with strong competition in the business world and use information technology to compete against such high competition. In that case, the Enterprise Resource Planning system (ERP) plays a vital role in any organization. Therefore, it is important to implement an ERP system to gain competitive advantages. The aim of this study is, therefore, to identify the impact of the implementation of the ERP on the Management Control Systems (MCSs) and firm performance. In particular, the analysis explores the role of formal and informal MCSs in the implementation of the ERP. The population of the study was all ERP implemented public listed and private companies in Sri Lanka. 40 ERP implemented companies were selected as the sample of the study using a simple random sampling technique. A questionnaire was used to collect data from financial managers, accountants, and information system/information technology managers working in companies currently using ERPS. Collected data were analyzed using descriptive, correlation and regression analysis. The study found that there is a positive and significant relationship between ERP implementation and financial and non-financial performance. Furthermore, it revealed that formal MCSs mediate the positive impact of ERP implementation on financial and non-financial performance and no such mediating impact was found with informal MCSs. The findings of this study will help software vendors to improve the ERP program that addresses improvements and demands in their organizations. In addition, the organization can develop strategies to maximize the benefits of implementing the ERP by focusing more on formal MCSs. In particular, the findings of the study will help organizations to identify the impact of MCSs on ERP adoption and firm performance.

**Keywords:** *Enterprise Resource Planning System (ERPS), firm performance, formal management control system, informal management control system.*

# **The impact of Foreign Direct Investment (FDI) inflows on local economic growth: Evidence from Sri Lanka using time series data**

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## **Abstract**

Foreign direct investment (FDI) has been one of the defining features of the world economy, finding it to be a significant economic force from which developing countries can achieve economic growth as a result. This study explores the impact of FDI inflows on the economic growth (Gross Domestic Product – GDP) in the Sri Lankan context. Although many studies were carried throughout the world, due to the lack of studies within the country was made a great interest to carry a research study in the Sri Lankan context. As well as due to the empirical studies shown mixed results as positive, negative and no relationship, the willingness to carry the study was increased. As result, it created the main objective of this study as to emphasize the extent of FDI inflows influence on economic growth in Sri Lanka. The study was mainly based on FDI as the independent variable and GDP as the dependent variable. Further, the researcher has used labor force, exports, unemployment, and gross domestic fixed capital formation as mediating variables to identify the impact of FDI to GDP deeply. The study used secondary data for twenty- nine years from 1990 to 2018 and employed descriptive statistics, correlation and regression analysis to establish relationships between the variables. The Pearson correlation was computed for FDI inflow and GDP shows a strong positive correlation between the variables. The regression analysis showed that there is a significant relationship between the independent and dependent variables by mediating with labour force, gross domestic fixed capital formation, exports, and unemployment. These findings have led to the conclusion that there is a significant positive impact of FDI inflows on the Sri Lankan economic growth. It therefore suggests that opening up the country to international markets and attracting more foreign investments to the country and making it useful to the labor market will improve economic stability. By reducing the country's unemployment rate, foreign investors will have more confidence in bringing their investment to the country.

**Keywords:** *Foreign Direct Investment, economic growth, Sri Lanka.*

# **The impact of macroeconomic indicators on stock price: Evidence from consumer services companies listed on the Colombo Stock Exchange**

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## **Abstract**

According to the Arbitrage Pricing Theory, expected return on an asset is dependent on macroeconomic variables such as inflation, exchange rates, production measures, and interest rates since they capture the systematic risk of the asset. During the past few years, Sri Lanka experienced significant movements of such macroeconomic variables. Hence, it is worth investigating the effects of macroeconomic factors on the stock price. Thus, this study aims to examine the impacts of inflation, interest rate, exchange rate, gross domestic product and money supply on the stock price. The study sample is 38 consumer services companies listed on the Colombo Stock Exchange for the period from the second quarter of 2014 to the first quarter of 2019. The data analysis is conducted by employing panel data analysis for the quarterly data obtained for the study sample. In the data analysis, the effect of firm-specific factors on the stock prices of the selected companies is controlled by using their earnings per share, dividend payout, and net asset per share. The results reveal that gross domestic product has a positive effect, while the interest rate and money supply have negative effects on the stock price. However, inflation and exchange rate are found to exhibit no effect on the stock price. Therefore, supporting the arbitrage pricing theory, the results imply that the investors should account for systematic risk resulting from changes in interest rate, money supply and gross domestic product when trading stocks of consumer services companies listed on the Colombo Stock Exchange.

**Keywords:** *Exchange rate, gross domestic product, inflation, interest rate, money supply, panel data.*

# **The impact of microfinance loans on growth of Small and Medium Enterprises in Anuradhapura district, Sri Lanka**

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## **Abstract**

Small and Medium Enterprises (SMEs) play a key role in the development of Sri Lankan economy while SMEs are reported to have both high birth and death rate. It is because of the lack of firm resources and it is considered the major problem for the SMEs owners. To overcome this problem they need capital. Microfinance institutions mainly focus on economic development by extending small loans without any strict requirements and most of SME owners get loans from microfinance institutions to generate their capital. Through the extant literature, the previous studies identified that the Microfinance Loans have put an impact on the SMEs firm growth. Therefore, this study was conducted to examine the impact of Microfinance Loans on the growth of SMEs. The researcher has used Access to Loans (AL), Loan Period (LP), Interest Rate (IR) and Instalments (IN) as independent variables and to measure the growth of SMEs, the Growth of Sales (GS) and Growth of Assets (GA) of SMEs were used as dependent variables of this study. A self-administered questionnaire was used to collect the data from a targeted sample of 100 SMEs in Sri Lanka. The researcher has used descriptive statistics and inferential statistics. According to the findings, the AL shows a significant positive relationship with the growth of SMEs. IR and LP had partially accepted because IR has no relationship with GS while has a significant positive relationship with the GA and LP has no relationship with GA while has a significant positive relationship with the GS. Moreover, IN has no relationship with growth of SMEs. Therefore, the study found that the microfinance loan has a partial relationship with growth of SMEs. Accordingly, the AL is the main reason for the growth of SMEs and it is very important for both financial institutions and the government to provide loan facilities in the setting of the SME development.

**Keywords:** *Microfinance, SMEs, growth of firm*

# **The impact of microfinance on the development of Small and Medium Enterprises (SMEs) in Sri Lanka with special reference to Matale district**

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## **Abstract**

Small and Medium Enterprises (SMEs) are vital to the Sri Lankan economy with their key role in the development of the economy by contributing to the economic growth, employment generation, regional development and poverty reduction. However, the survival of SMEs remains erratic with reporting both high starting rate and ending rate of SMEs because of the failure to continue their operations due to financial challenges and lack of resources. Microfinance institutions are contributing to economic development by fulfilling the financial needs of SMEs to invest and expand their businesses. The objective of this study is to examine the impact of Microfinance on the development of SMEs in Matale district. Microfinance services namely microcredit, micro savings, micro training and micro insurance are considered as the independent variables of the study and sales growth and asset growth are considered as the dependent variables in measuring the development of SMEs. The present study used a self-administered questionnaire for data collection from a sample of 100 SMEs in Matale district. Descriptive analysis, correlation and regression analysis were performed in the study. The results revealed that microcredit service has a significant positive impact on the development of SMEs. In addition, services such as micro-savings and micro-training have shown a significant positive impact on asset growth but have no significant impact on sales growth. However, the micro insurance service has no significant impact on either of the dependent variables. The study therefore found that microfinance services have a partial impact on the development of SMEs in Matale district. These findings provide important policy implications.

**Keywords:** *Asset growth, micro-finance services, sales growth, small and medium enterprises.*

# **The impact of socioeconomic status, awareness, and savings on investor's perception towards investment decisions in Colombo Stock Exchange (CSE): With special reference to Kandy district, Sri Lanka**

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## **Abstract**

The perception of investors plays an important role when making investment decisions in the stock exchange. It is an attitude or opinion of investors. Many research studies have proved that perception may act as mediators among financial transactions. Through the extant literature, the previous studies identified that socioeconomic status, awareness and savings were mostly the impacts to the investor's perception towards investment decision and it is convinced that very few studies had been carried out in Sri Lankan context regarding the perception of investors. Therefore, this study aims at examining the impact of socioeconomic status, awareness and savings on investor's perception towards investment decision in CSE. To achieve this aim, investors in Kandy district was used as population. But total number of individual investors in Kandy district is unknown. Therefore 60 individual investors were selected as the sample by using convenient random sampling method. A structured questionnaire was used to collect the data and independent and dependent variables were measured through 20 questions by using Likert's scale. Hypotheses were set to seek the influence on the perception of investors towards investment decision in CSE and correlation and multiple regression techniques were used to test the hypotheses. The findings of this study revealed that socioeconomic status has a significant positive and savings has a significant negative impact on the perception of investors towards investment decision in CSE. But awareness has an insignificant positive impact on the perception of investors towards investment decision in CSE. Findings support the investors of CSE to identify the how above factors affect to perception they are useful for the financial advisors to advise their clients for the better. And also, the government can develop programs to make the other investors using the findings. Therefore, this study recommended that investors improve the capability of investing in CSE to earn a higher return than other investments.

**Keywords:** *Awareness, perception of investors, savings, socio-economic status*



# **The impact of the corporate governance on stock performance of listed companies in Colombo Stock Exchange (CSE)**

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## **Abstract**

Good governance is recognized as the credibility of an organization as stakeholders look forward to this in their decision-making process, and therefore the organization's stock performance would be affected by this governance aspect. This study, therefore, aims to examine the impact of corporate governance on the stock performance of listed companies in the Colombo Stock Exchange (CSE). The study sample is one hundred and fifty-five (155) companies listed in the CSE where companies in the financial sector, companies with a financial year end of 31 December and companies with incomplete data were excluded when the final sample was drawn. Data over the period from 2017 to 2019 were collected from secondary sources, and the Descriptive Analysis, Correlation Analysis, Ordinary Least Square (OLS) Regression and Panel Regression Analysis were performed in the data analysis. Seven board characteristics namely Board size, Board Activity, Board Independence, Existence of Audit Committee, Existence of Remuneration Committee, Existence of Nomination Committee and Gender Diversity are considered as the independent variables of the study. The dependent variable, stock performance, is measured through Earnings per Share (EPS). Further, Return on Assets (ROA) and Leverage are included in the analysis as control variables. According to the OLS and Panel Regression Analysis, in the findings, it was found that none of the corporate governance variables namely Board size, Board Activity, Board Independence, Existence of Audit Committee, Existence of Remuneration Committee, Existence of Nomination Committee and Gender Diversity are significant in determining the stock performance in Sri Lankan listed companies. These findings are expected to have significant policy implications.

**Keywords:** *Corporate governance, Colombo stock exchange, listed companies, stock performance.*

# **The level of effective internal control system of licensed commercial banks: A comparative study of state-owned and private domestic commercial banks in Anuradhapura district**

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## **Abstract**

The worldwide organizations have resulted in complex business procedures and activities due to the globalization. In the case of banking sector procedures, a complication of banking transactions and the increase in frauds of banking activities have let to pay attention to the internal control system in banking sector. An effective internal control system is the backbone of every organization. Thus, a poor internal control system may lead to the collapse of the organizations. Simply, internal control involves everything that controls risks to an organization. Hence, this study aims at comparing the level of the effective internal control system of state-owned and private domestic commercial banks in Anuradhapura district. The level of effective Internal Control System was evaluated based on the five components (i.e., Control Environment, Risk Assessment, Information and Communication System, Control Activities, and Monitoring Activities) of the Committee of Sponsoring Organizations (COSO) framework. The structured questionnaires were used to collect the data from 50 and 30 respondents from state-owned and private domestic commercial banks, respectively. The major respondents were managers (the response rate was 76.25 percent) and secondary officers (the response rate was 23.75 percent). Descriptive analysis, Independent Sample T-test and ANOVA were used to analyze the data using SPSS. The results of the study indicate that the level of effective Control Environment, Information and Communication System, and Control Activities are different between State-Owned and Private Domestic Commercial Banks in Anuradhapura district whereas the level of effective Risk Assessment and Monitoring Activities are not different between State-Owned and Private Domestic Commercial Banks in Anuradhapura district. The findings of this study will help practitioners as a guideline to get the maximum benefit of their internal control system.

**Keywords:** *COSO framework, internal control system, level of effective internal control system, private domestic commercial banks, state-owned commercial banks.*

# **The relationship between corporate governance and environmental reporting: Evidence from Sri Lanka**

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## **Abstract**

Firms' environmental initiatives are steadily increasing in the corporate world as stakeholders make their decision to act on environmental consciousness. Therefore, firms are seeking to expand their Corporate Governance (CG) requirements with major consideration of environmental reporting. Therefore, this study undertakes to address this gap by investigating the relationship between CG and environmental reporting with reference to the Sri Lankan context. The model comprised six independent variables of CG namely, the board size, board independence, CEO duality, audit committee independence, female directors on board and institutional investors while control variables are employed as firm size, leverage, and profitability. The secondary data were collected from the sample of 80 companies out of 289 companies listed in the Colombo Stock Exchange in 2019 by using the judgmental sampling method. Descriptive analysis, Pearson's correlations analysis and multiple regression analysis were conducted in analyzing the collected data. A positive relationship was found between Board size, Board independence and Ownership concentration and environmental reporting respectively. Meantime CEO duality and Audit committee independence indicated a negative relationship. Results concluded that there is no significant relationship between female directors on the board and environmental reporting. Further, control variables have weak positive, very weak positive and weak positive relationships with environmental reporting respectively. The findings were especially beneficial for both researchers and practitioners. Furthermore, the findings of the study have important implications for corporate entities to prepare their future commitments to enhance their accountability and environmental responsibility, and this also provides insights to the society at large.

**Keywords:** *corporate governance, environmental reporting, listed companies.*

# **The relationship between dividend policy and share price volatility: A case study on the Colombo Stock Exchange of Sri Lanka**

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## **Abstract**

The relationship between dividend policy and share price volatility is a problematic area which comes under different theories. Previous results indicated mixed findings under different time periods. Thus, the present study examines the relationship between Dividend Policy and Share Price Volatility. The sample includes 50 companies that have the highest share prices as at 31.12.2019 and data were collected for the period from 2017 to 2019 including three years. Share Price volatility is the dependent variable for this study while independent variables which represent the dividend policy include dividend yield and dividend payout ratio. T-Bill rates were used as the control variable. Descriptive analysis, correlation analysis, and panel data regression model were occupied for the analysis. The result of the correlation coefficient reveals that there is no significant relationship between dividend yield and share price volatility. Further, it reveals there is no significant relationship between dividend payout ratio and share price volatility. The random-effect model indicates an insignificant impact of dividend policy on share price volatility. These results are consistent with the dividend irrelevance theory. Investors as well as policymakers can use the findings of this study to make the necessary decisions.

**Keywords:** *Dividend irrelevance theory, dividend policy, share price volatility.*

# **The relationship between financial management practices and financial performance of Small and Medium Enterprises (SMEs) in Sri Lanka: Evidence from Anuradhapura district**

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## **Abstract**

SMEs can be identifying as the backbone of all economies. The SME sector has become a crucial segment and a major section of the private sector in developing countries. Therefore, it is important to accelerate the growth of SMEs in order to gain sustainable development for developing countries. However, poor record-keeping, inefficient use of accounting information to support their financial decision-making and, the low quality and reliability of financial data are part of the main problems in financial management concerns of SMEs. Thus, this study aimed at examining the relationship between financial management practices and financial performance of SMEs in Anuradhapura district. Financial management practices have been measured by accounting information system, working capital management, investment decision, financial reporting and analysis. Data were collected through the self-administered questionnaire from 100 SMEs functioning in Anuradhapura district. The convenience sampling method was used to select the participants. Descriptive analysis and correlation analysis were used to analyze the data using SPSS. Cronbach's Alpha was used to check the reliability of the data. Results of correlation indicated that there is a positive and significant relationship between accounting information system, working capital management, investment decisions, financial reporting and analysis and financial performance. The outcome of the study may be useful to the practitioners to focus the financial management practices in order to enhance their financial performance.

**Keywords:** *Financial management practices, financial performance, SMEs.*

# The relationship between ownership structure and firm's financial performance: A case study on listed companies in Sri Lanka

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## **Abstract**

Firms that are listed in the Colombo Stock Exchange (CSE) in Sri Lanka are characterized by ownership structure, and it is one of the main determinant factors that influence the company's financial position. The investors who owned more than 5 percent of shares have the power to influence firms' management to protect their interest. Many researchers have given the importance of the company's ownership structure in corporate with governance mechanisms, studies on ownership structure and financial performance of firms has yielded non-conclusive empirical findings. Hence, the purpose of this study is to examine the impact of ownership structure on the financial performance of companies listed on the CSE. The sample of this study is drawn from the 290 firms which were listed in the CSE during the period of 2015 to 2019. Based on the ownership diversification three sectors were selected as the sample namely diversified holdings, healthcare, and telecommunication. It represented 24 listed companies out of 290 listed companies for the period from 2015 to 2019. The data were collected from secondary sources and hypotheses were examined by using Pearson's correlation and panel regression analysis. The return on assets (ROA) is used as the performance measure, and both ownership concentration and ownership identity (institutional ownership, foreign ownership, and individual ownership) are used to measure the ownership structure. The result of this study reveals that institutional ownership and foreign ownership are significantly and positively correlated with the financial performance of listed companies in Sri Lanka while individual ownership and ownership concentration are negatively correlated with financial performance and only individual ownership is significant. Further, ownership concentration has a significant impact on the company's financial performance, and the ownership identity has an impact on the company's financial performance, which is not significant. Also, the study revealed that the ownership structure has 34.97 percent ability to predict the company's financial performance. These findings may help investors and policymakers to make decisions regarding ownership structure.

**Keywords:** *Financial performance, ownership concentration, ownership identity, ownership structure.*

## **The value relevance of audit opinions on stock price of companies listed in the Colombo Stock Exchange**

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### **Abstract**

Entity's management provides information for investors to make their decisions whether they should buy or sell securities. Investors may decide their decisions according to the auditor's reports of companies. Therefore, auditor's report should contain information that can influence the stock price. Thus, the audit opinions may be more significance on the stock price of the companies. In local and international contexts, most of the people have failed to reach impression about how the audit opinions affect on the stock price. Therefore, the researcher expects to find out to what extent the audit opinions value relevance on the stock price. The main objective of the study is to investigate the value relevance of audit opinions on the stock price of companies listed in the Colombo Stock Exchange (CSE). The population includes 290 companies listed in the CSE as at 20th January 2020 and out of that 151 companies were selected as the sample. The study used secondary data collection method. The analysis was done using descriptive statistics, correlation and panel regression. Unqualified, qualified, adverse & disclaimer of opinions have been identified as independent variables while the stock price has identified as the dependent variable. And, earning per share and book value per share were used as control variables. According to the results, the independent variables contributed to 35.14% of the variation in the stock price as explained by R<sup>2</sup> of 35.14%. The statistical results show that there is a significant positive relationship between unqualified opinions and stock price and also there is a significant negative relationship between qualified opinions and stock price. Finally, authors concluded that audited financial statements have more value relevance information for the investors' decisions. This will assist investors in deciding which stocks to invest in their portfolio based on the regular audit reports examined.

**Keywords:** *Audit opinions, Colombo stock exchange, stock price, value relevance.*

# Value relevance of accounting information on share price: Evidence from consumer services companies listed on the Colombo Stock Exchange

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## Abstract

The concept of value relevance of accounting information is based on the idea that information generated by a firm's accounting system affects its value since accounting information is an essential consideration in decision-making of the firm's stakeholders. Though this area has been widely studied, there exists a need for further studies due to inconsistent findings appeared in those past studies and a limited volume of studies considering accounting information such as price-to-earnings and dividend yield. Hence, this study aims at examining the value relevance of accounting information, specifically earnings per share, book value per share, dividend yield, and price-to-earnings. The sample of the study is all the companies (a total of 38 companies) listed on the consumer services sector of the Colombo Stock Exchange for a period of 5 years from 2014 to 2019. The published financial statements as available in the annual reports of these companies are used to obtain the accounting information. The accounting information of the selected companies is then regressed against their share price on the first day after publishing the annual report. The results reveal that earnings per share and book value per share have positive effects, whereas dividend yield has a negative effect on the share price. However, price-to-earnings was found to exhibit no impact on the share price. In terms of the extent of value relevance, earnings per share show the highest value relevance, followed by book value per share and dividend yield. Accordingly, the results imply that earnings per share, book value per share, and dividend yield are value relevant accounting information for the companies listed on the consumer services sector. Thus, the investors should alert on these value relevant factors when trading shares of the consumer services companies.

**Keywords:** *Book value per share, dividend yield, earnings per share, price-to-earnings, value relevance.*



# **Contemporary Studies in Management**

# **Barriers for Total Quality Management (TQM) implementation in divisional secretariats in Anuradhapura district**

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## **Abstract**

The purpose of this research is to identify barriers for TQM implementation in Divisional secretariats in the Anuradhapura district. In today's world TQM is vastly used technique. Therefore, this study will help to increase overall quality of Divisional secretariats in Anuradhapura district as well as any service organization. There are many service quality problems in specially government sector services. As a solution, the TQM implementation can be used. Other countries have identified some barriers for TQM implementation. However, in Sri Lankan context, research studies about TQM barriers are very limited. Accordingly, research gap was identified for the study. Primary data were collected from seventeen (70) employees in Divisional secretariats in Anuradhapura district. Further, as sample used convenience sampling technique was applied. The data were analysed using independent samples t-test, ANOVA test, correlation analysis and regression analysis. Results reveal that managerial barriers and employee barriers make significant impact on TQM implementation. Further it is obvious that there is no significant impact from organizational barriers for TQM implementation. The Overall research model was significant and the research model was fitted. This research will directly help to enhance the service quality of Divisional secretariats in Anuradhapura district and it has created a new path to the identification of TQM barriers.

**Keywords:** *Employee barriers, managerial barriers, organizational barriers, TQM barriers, TQM implementation.*

## **Factors affecting adoption of online banking services in Polonnaruwa district customers of Sri Lanka**

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### **Abstract**

The Internet has enabled banks to practice new generations of banking services without investing on physical bank branches. Furthermore, the internet banking has contributed to reduce the operating costs and to improve the level of banking services. Sri Lanka also adopted the concept in the late 1980s by networking bank branches, introducing electronic cards, and facilitating the banking in all geographically dispersed branches from one place. Although it offers more relative advantages, it was reported that less than 1% of bank customers generally use online banking, mobile banking, telephone banking and the internet payment gateways. The purpose of this study was to examine the factors affecting adoption of online banking services in Polonnaruwa district customers of Sri Lanka. Usefulness, ease of use, security, information quality, and compatibility were identified as the independent variables and the online banking adoption was the depended variable. The study was based on stratified random sampling method and 50 customers have been selected for the study. Data were collected using a structured questionnaire and the analysis was conducted by using SPSS. Frequencies, descriptive, correlation, and regression analyses were conducted. The final results revealed that there is a relationship between usefulness, ease of use, security, compatibility, and information quality and online banking adoption.

**Keywords:** *Compatibility, ease of use, information quality, online banking adoption, security, usefulness*

# **Factors affecting business performance of Small and Medium Enterprises in Sri Lanka: A Study on Pelmadulla Divisional Secretariat**

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## **Abstract**

Any country, any economy like developed, developing or emerging economies, an enterprise is essential for the enhancement in the country's economy and for the development. Small and Medium Enterprises play a significant role in the development of the country. SMEs contribute more than 70 percent of Gross Domestic Product in Sri Lanka as well as they have to face numerous challenges than large scale companies. In several studies, access to finance, access to infrastructure and availability of managerial experience have identified as important factors that affect business performance. Hence, the study investigates the factors affecting the business performance of SMEs in Sri Lanka. A questionnaire used to gather data from the owner or the managers of SMEs. Among 487 SMEs in Pelmadulla divisional secretariat area 110 SMEs preferred for the survey. Out of 110 SMEs, 98 were responded. Correlation and regression analysis were used to test the relationship and effect of the access to finance, access to infrastructure and availability of managerial experience on business performance. The study found access to finance and availability of managerial experience have a positive significant relationship on the business performance and there is a positive insignificant relationship between access to infrastructure and business performance. Regression analysis found access to finance and availability of managerial experience have a positive and significant impact on business performance. Access to finance and managerial experience is important for SMEs and the government should implement necessary ways for improving the financial accessibility and managerial skills.

**Keywords:** *Access to finance, access to infrastructure, availability of managerial experience, business performance, Small and Medium Enterprises (SMEs)*

# **Factors affecting organizational commitment of the employees in Ceylon Electricity Board in Trincomalee district**

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## **Abstract**

Organizational commitment has become an important topic in organizational behavior. Any organization is faced with a big challenge of keeping continuous organizational commitment of employees. The Ceylon Electricity Board (CEB) has faced the problems such as the sudden power outage and inefficient reprocessing of the power supply and these have badly affected for survival of general public in Trincomalee area. In the field of organization commitment, there are limited number of researches in the public sector as well as there have been few empirical studies in Asian countries. The purpose of this study was to analyze the factors affecting to organizational commitment of employees in CEB in Trincomalee district. The independent variables were considered as organizational rewards, organizational support, training and development and working conditions. Organizational commitment was considered as the dependent variable. All managerial and non-managerial employees in DGM (East) Office, Engineer Area Offices and Engineer AMU Office in various locations in Trincomalee district were the population and out of them, 100 employees were selected as sample based on simple random sampling techniques. A close ended questionnaire was used for data collection and the data was analyzed using inferential statistics. The results indicated that the level of organizational commitment of the employees in CEB were in moderate level. The level of organizational commitment changed according to the marital status, age, education level, working experience and income level. As per the correlation analysis, all four variables had statistically positive and a significant relationship was shown with the organizational commitment. The light of the regression analysis indicated that there are statistically significant impacts of organizational rewards, organizational support and training and development on organizational commitment of employees in CEB in Trincomalee district. Further, the researcher found that the organizational support was the most influencing factors on employees' organizational commitment in CEB.

**Keywords:** *Organizational rewards, organizational support, organizational commitment, training and development, working conditions*

# **Factors affecting the life satisfaction of undergraduates in Rajarata University of Sri Lanka**

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## **Abstract**

The purpose of this study was to investigate the factors affecting the life satisfaction of undergraduates in Rajarata University of Sri Lanka. Life satisfaction was considered as the dependent variable while personality, separation and homesickness, interpersonal relationship, stress and university facilities were considered as independent variables. The study sample comprised of 130 randomly selected students from five faculties in the university including 2nd year to 4th year undergraduates. A questionnaire required allowed respondents to mark the responses and a five-point Likert scale was used to collect the data from the undergraduates and the response rate was 100%. Statistical Package for Social Sciences (SPSS) was used to analyse the data collected. Mean score and standard deviation were used for all the variables and univariate analysis and correlation coefficient were used as bivariate analysis. The results indicated that the level of life satisfaction of the Rajarata University undergraduates was in lower level and no significant differences were noticed relating to gender, faculties, region and academic year. Despite the significant positive relationship between university facilities and life satisfaction, a significant negative correlation was identified between undergraduates' life satisfaction and independent study variables such as personality, interpersonal relationship, separation and homesickness and stress.

**Keywords:** *Interpersonal relationship, life satisfaction, personality, separation and homesickness, stress, undergraduates.*

# Factors affecting credit card usage in Anuradhapura district

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## Abstract

The development of technology has significantly changed human behavior through new applications and innovations. A credit card is one such inspirational introduction by the banking community to make peoples' life easier and more convenient. As a result, credit card usage has been growing rapidly globally. However, rate of growth in Sri Lanka is always below the average especially in regional areas. The adaptation to novel technology is often subjected to many factors. The present study aimed to examine factors that prompt credit card usage of people living in Anuradhapura district. Demographic factors, financial literacy, attitudes towards credit card, benefits, and incentives of the credit card were identified as independent variables. The study based on a snowball-sampling technique on which 50 respondents were reached. Descriptive statistics, correlation analysis, and regression tests were applied to analyze gathered data. The study found that people hold credit cards just to impress themselves to others and, therefore, very rarely they use it for financial transactions. Further, the results revealed that age, education level, financial literacy, and attitudes towards credit cards have strong positive relationship with credit card usage. However, the financial literacy and attitude towards credit cards significantly determine credit card usage. Accordingly, people with high financial literacy in Anuradhapura district are more likely to use credit cards frequently in day-to-day transactions. The findings encourage banks and financial institutions to disclose the latest information on credit cards, how it could be wisely used to manage daily expenses, and have additional benefits etc. to proliferate financial literacy and favorable attitude of customers on credit cards.

**Keywords:** *Attitude, credit card, daily expenses, financial literacy, marketing strategies*

## **Factors affecting adoption of electronic payments at supermarkets in Anuradhapura district**

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### **Abstract**

The electronic payment system has been developed rapidly during recent years. The e-payment systems have replaced the role of money as a tool for payment. The electronic payment systems provide many advantages for the customers of supermarkets. However, the usage of electronic payments is comparatively low in Sri Lanka. The purpose of this study is to examine the factors that have contributed to the low level of usage of electronic payments alternatives at supermarkets in Anuradhapura districts. The population of this study is the customers who visit the supermarkets and 100 customers were selected as the sample. Self-administrated questionnaire was used to collect the data. According to the analysis, T test indicated that electronic payment adoption does not differ between genders. The light of the multiple regression analysis indicated that the usefulness has a significant positive impact on the use of electronic payment systems. Consumer trust, security, and ease of use have positive insignificant impacts on the electronic payment systems and the customer financial capability has a significant negative impact on the dependent variable. According to results, researcher strongly recommend to enhance the awareness on e-payment systems of customers, simplify the formalities in repayment, introducing self-pay systems, make electronic payment facilities available at other small grocery shops, and prompting the private sector organizations to deposit salaries of employees into bank accounts to popularize the e-payment in the supermarkets.

**Keywords:** *Ease of use, financial capability, security, trust, usefulness*



## **Factors affecting non-managerial employees' motivation in apparel industry: With special reference to Kandy district in Sri Lanka**

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### **Abstract**

The Apparel Industry is highly employee-oriented industry where the motivation of non-managerial employees become a crucial factor when determining the success or failure. Motivation is divergent from person to person and empirical evidences exposed that, there is a severe problem in the motivation of non-managerial employees in the apparel industry. Albeit study endeavors to address the research gap by examining, factors that affect to non-managerial employees' motivation in the apparel industry at Kandy District. Monetary rewards, non-monetary rewards, work-related factors and workforce relationship were treated as independent variables and motivation was considered as dependent variable. By administering a structured questionnaire, 120 respondents who are in three garment factories were selected using convenience sampling method. Correlation analysis and regression analysis were performed to test the hypotheses. According to the general objective, a strong positive and significant relationship exists between motivational factors and non-managerial employees' motivation in the apparel industry at Kandy district. The findings of the study show workforce relationship, work-related factors, non-monetary rewards and monetary rewards, respectively, are strongly positively and significantly correlated with the motivation of non-managerial employees. The finding of the study displays that the relationship with colleagues, relationship with supervisor, workload, work pressure, work condition, promotion, empowerment, salary, bonus and commission are the most significant factors which influence the motivation of non-managerial employees in apparel industry and helped to achieve the specific objectives.

**Keywords:** *Monetary rewards, motivation, non-monetary rewards, work-related factors, workforce relationship.*

# **Factors affecting to satisfaction of debit card holders in Sri Lanka with reference to BOC debit card holders at Sambaragamuwa Province**

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## **Abstract**

Commercial banks in Sri Lanka have been moving to e-services for its customers considering anticipated gigantic changes that are taking place throughout the world in the Banking and Finance industry for the last few decades. About 26 approved commercial banks in Sri Lanka have therefore been metamorphosing its operation alongside new technical innovations to face fierce competition in the banking industry. Resulting, banks are now providing banking services on international standards with much electronic media for all Sri Lankan customers. Electronic Debit Card is one such facility that customers embosomed speedily all over the country. The banks have facilitated electronic cards into adoption towards cashless society instead of cash transactions. By today the card is extensively applied everywhere by every customer. Hence the objective of this study was to underline the factors that motivated cardholders for electronic transactions instead of cash in daily transactions. The study is a basic deductive type quantitative study, which applied a questionnaire survey strategy and conducted with minimum researcher interference. Individual customers of BOC were the unit of analysis. Convenience, security, prestige, rewards, and facility were independent variables and customer satisfaction was the dependent variable of the study. Previously applied validated questionnaire was used to collect data from 450 customers of BOC randomly covering 21 branches in Sabaragamuwa Province. Study results based on 397 duly completed responses on which different statistical tests were run to meet the research objective. According to the correlation test except for prestige, other independent variables have statistically significant associations with the dependent variable. However, only convenience and facility were statistically significant under the regression. Accordingly, convenience and available facilities of debit cards are the expound dimensions perceived for usage and satisfaction of debits cardholders in Sri Lanka, therefore BOC is strongly encouraged to consider the a fore mentioned dimensions if they wish to uphold debit card usage in the Sabaragamuwa province.

**Keywords:** *Benefits of the debit card, cardholders, cashless transaction*

# **Factors affecting stress of university undergraduates: With reference to selected regional state universities**

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## **Abstract**

Students are subjected to different kinds of stresses. This study was conducted with the purpose of investigating the factors affecting to the stress of undergraduates of regional state Universities of Sri Lanka. Academic factors, intrapersonal factors, interpersonal factors, and environmental factors were considered as the independent variables and the dependent variable was considered as undergraduates' stress. The population of this study was undergraduates who are at Rajarata University of Sri Lanka, Wayamba University of Sri Lanka and Uwa Wellassa University of Sri Lanka and out of them, 370 undergraduates were selected as sample. The study applied a stratified random sampling technique to select the respondents from the population to the sample. Then random sampling was done within each sample. For the data collection in this study was used a self-administrated close-ended questionnaire and data obtained were analysed through SPSS version 21. The Mean and Standard Deviation were used for all the variables as descriptive analysis and correlation coefficient, independent sample t-test, ANOVA and multiple regression analysis were used as inferential analysis. According to the result of correlation analysis clearly indicates that all four independent variables were significant with the dependent variable. It found that undergraduates were suffering a high level of stress and academic factors were the most stressful factors of them. Moreover, the study found that there was no significant difference between undergraduates' stress with gender-wise, university wise, academic year wise, and religion-wise.

**Keywords:** *State universities, stress, undergraduate students*

# **Factors affecting financial literacy of small and medium enterprises in Kurunegala district, Sri Lanka**

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## **Abstract**

Financial literacy is an important instrument for the success of small and medium enterprises (SMEs) as it leads to understand and evaluate the information needed to make day-to-day financial decisions. Poor financial decisions may have harmful impacts on financial and economic stability of the SMEs. Financial literacy encourages SMEs' owners to make intelligent choices while gaining the competitive advantage in the market. COVID-19 pandemic highlighted the significance of the existence of SMEs as most of the large-scale companies were withheld whereas SMEs were continuously performing their business activities. Nevertheless, many studies have proved that the level of financial literacy has a significant impact on performance of SMEs, very few studies have investigated the factors affecting to the financial literacy of SMEs. Thus, the purpose of this study is to investigate the factors effecting the financial literacy of SMEs in Kurunegala District in Sri Lanka. Employing the convenience sampling technique, a questionnaire survey was conducted for 63 SMEs respondents registered under the divisional secretary in Kurunegala District. The results of regression analysis and ANOVA tests show that demographic factors and usage of financial products and institutional factors of SMEs have a significant positive impact on financial literacy of SMEs. Thus, the findings will give managerial implications for SMEs to identify through which factors they could improve the financial literacy. Furthermore, the findings shed a light to financial institutions, government, and other bodies to identify the ways and means for improving financial literacy of SMEs since it assists not only the SMEs but also for the overall economic success.

**Keywords:** *Demographics, financial literacy, institutional factors, usage of financial products factors*

# **Glass ceiling and organizational commitment: Reference to female teachers at government schools in Anuradhapura district**

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## **Abstract**

“Glass ceiling” is used to describe as invisible or artificial barriers that discontinue women from raising the corporate ladder to senior positions. There were several studies which had identified the presence of the glass ceiling and the negative effect of the glass ceiling. Female employment commitment is more important to the developing countries. Different studies had identified that glass ceiling affects to organizational commitment. Existing literature does not provide clear evidence on the effect of glass ceiling on organizational commitment in Sri Lankan context. The objective of the present study is to identify the effect of glass ceiling on organizational commitment of government school teachers in Anuradhapura district because females are the focal point of the Sri Lankan educational system and the commitment of the teachers is more important. Glass ceiling was described using individual, family, organizational and cultural factors. For the purpose of the study primary data were collected through self-administrated questionnaire from the sample of 62 female teachers in Anuradhapura district. Reliability, ANOVA, correlation, regression analysis and descriptive analysis were performed in data analysis. The hypothesis of the study was accepted. Both results of correlation and the regression analysis of the study indicated that the glass ceiling has significant influence on organizational commitment. Further correlation has indicated that glass ceiling is negatively affect on organizational commitment. Finally, government school teachers of Anuradhapura district are facing moderate level glass ceiling and the commitment of the teacher are below the moderate level. Further glass ceiling affects negatively on organizational commitment.

***Keywords:*** *Glass ceiling, organizational commitment, women employee*

# **Impact of creativity towards the performance of undergraduates of Rajarata University of Sri Lanka**

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## **Abstract**

The purpose of this study was to investigate the Impact of Creativity towards the Performance of the Undergraduates in Rajarata University of Sri Lanka. Creativity was considered as the independent variable and the performance of the undergraduates was considered as the dependent variable. Researcher used eight creative talents which includes in the model developed by Lynne C. Levesque as the independent variables. The sample size was 100 students from the Faculties of Management Studies and Social Sciences and Humanities including 4th year undergraduates. A questionnaire was used to collect the data from the undergraduates. The data was analyzed using Statistical Package for Social Sciences (SPSS) version 21.0. Mean Score and Standard Deviation were used for all the variables for univariate analysis and correlation coefficient was used for bivariate analysis. The hypotheses were tested using the Correlation and regression analysis. The results indicated that the Creativity and the performance of the Rajarata University undergraduates were in moderate level. The Creativity and the performance of the Rajarata University undergraduates have not been changed according to the gender, faculties, and District. The results of correlation analysis illustrated that the Creativity of undergraduates was positively and significantly correlated with the performance of the undergraduates. A weak positive and significant relationship was found between Navigator, Visionary creative talents and the performance of the undergraduates. A Strong positive and significant relationship was found between Adventure, Pilot, Inventor, Poet creative talents and the performance of the undergraduates. The Explorer and Harmonizer creative talents were not significantly correlated with the performance of the undergraduates.

**Keywords:** *Creativity, performance, undergraduates*

# **Impact of employee commitment on employee job performance in textile industry: With special reference to Kurunegala district**

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## **Abstract**

In the competitive world each and every organization is facing new challenges in connection with sustained productivity and creating committed work force. Nowadays, organizations are unable to perform at peak levels unless each employee is committed to the organization objectives. Thus, it is important to understand the concept of commitment and its potential on job performance. The purpose of the study was to investigate the impact of employee commitment on employee job performance. Employee commitment was considered as the independent variable and employee performance was considered as the dependent variable. Researcher used three types of commitments (affective commitment, continuance commitment, normative commitment) under the employee commitment. 100 operational level employees from six textile organizations were selected as the sample size and a questionnaire was distributed among them. Collected data were fed to a SPSS data sheet and executed univariate analysis, correlation analysis and bivariate analysis. Hypotheses were tested using correlation and regression analysis. Study concluded that commitment and the job performance of the employees of textile industry do not change according to the work experience, age and educational qualifications. According to the results of correlation analysis, there is a strong positive relationship between effective commitment and employee job performance. And also, there is a significant relationship between continuous commitment and employee job performance. In addition, relationship between normative commitment and employee job performance show a strong positive relationship.

**Keywords:** *Affective commitment, continuance commitment, employee commitment, employee job performance, normative commitment*

# **Impact of employee creativity on employee performance in insurance industry in Sri Lanka: Reference to North Central Province in Sri Lanka**

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## **Abstract**

Under rapid technological development and intense global competition employee creativity at work generates novel responses to employee performance. Although the impact of employee creativity on employee performance is a new and rapidly growing research field, there are few studies available in the Sri Lankan context. This study has focused on identifying the influence of employee creativity on employee performance in the insurance industry in Sri Lanka. Data were collected using Self-administrated questionnaire from 92 insurance industry employees from nine insurance companies in North-Central province in Sri Lanka by using a simple random sampling method. According to the theoretical framework, employee performance in the insurance industry was tested with independent variables, creative customer orientation, intense curiosity, creative self-efficacy and creative proactive personality. Data were analyzed using SPSS 20 version. Mean Score and standard deviation were used for all the variables for univariate analysis and correlation and coefficient were used for bivariate analysis. Hypotheses were tested using correlation analysis. The findings indicated that there is a positive significant relationship between relationships of creative customer orientation, intense curiosity, creative self-efficacy, creative proactive personality and employee performance in the insurance industry in Sri Lanka. The study further suggests the necessity of enhancing the creativity of employees as a driven tool to increase the performance of the insurance industry. Providing creative customer orientation training programs to employees, making good minds and attitudes on employees, increasing employee confidence, providing a better environment to express employees' ideas and motivating employees to discover new opportunities are the recommended activities that must be done to improve employee creativity.

**Keywords:** *Employee creativity, employee performance, Sri Lankan insurance industry*



# **Impact of learning environment and extracurricular activities towards the academic performance of undergraduates of Rajarata University of Sri Lanka**

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## **Abstract**

Poor academic performance of undergraduates has become a burning issue in state universities in Sri Lanka. Many systematic investigations have done to recognize the main factors that are related to imperfect scholastic execution with a perspective on organizing remedial measures. This study was designed to examine the impact of the learning environment and extracurricular activities towards academic performance of undergraduates. As the majority of the student's performance is not at a satisfactory level although there are few students whose performance is high, hence it is important to examine the components that lead to bringing down the scholarly execution of these poor performing undergraduates. The results of the study will support with the decision making of university administration, undergraduates, and the government as well. For this purpose, seven hypotheses were developed and tested. In this study, academic performance (average GPA) was considered as the dependent variable and it was measured by two variables as learning environment and extracurricular activities. Learning environment again determined by five dimensions as lightning, sound system, ventilation, learning aids and supportive documents. Sample of 150 undergraduates were selected using simple random sampling technique. Data were collected through primary as well as secondary sources. Statistical methods of correlation and regression were used to test hypotheses. Results revealed that extracurricular activities have a significant relationship and an positive impact on academic performance. It was found that the components of learning environment such as ventilation, learning aids and supportive documents, library and computer laboratory have significant impact on learning academic performances while lightning and sound system did not have an impact according to the regression. But those two were also partially accepted as there was a correlation with academic performance.

**Keywords:** *Academic performance, extracurricular activities, learning environment*

# **Impact of rewards on machine operator motivation in apparel industry in Kurunegala district**

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## **Abstract**

As comparison to other sectors, turnover levels in the apparel industry in Sri Lanka is large at 40 percent. Although numerous factors motivate specific individuals; it is an important prerequisite to figure out what motivates workers. This research intends to study the influence of the reward on the motivation of employees in relation to apparel machine operators with the objectives of identifying reward strategies, the impact of each reward strategy and the award strategy that employees believe is the most inspiring. The variables under consideration were the employee motivation as the dependent variable and extrinsic rewards and intrinsic rewards as the independent variables. The data were collected using a questionnaire from 100 production level machine operators using random sampling method. For analysis, linear regression model, correlation analysis, and descriptive analysis were used. To achieve the first objective of research six rewards strategies were identified as most likely to impact on motivation of the employees through reviewing the previous research works. Namely salary, promotion and bonus as the extrinsic reward strategies and career development, responsibility, appreciation and recognition as the intrinsic reward strategies. All the six reward strategies depicted a significant positive relationship with employee motivation contributing for the second objective of the study. As per the third objective of the research it was identified that reward strategies like salary, promotion, and bonus have the most influencing effect on the employee motivation. Further this study suggests assessing the job satisfaction of employees on regular basis and practice performance-based bonus system while conducting training and development programs to improve employee commitment and loyalty to the company.

**Keywords:** *Employee motivation, extrinsic rewards, intrinsic rewards*

# **Impact of service quality of the self- service banking units on customer satisfaction of public banks in Sri Lanka**

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## **Abstract**

Banking industry is the most critically important industry in today's globalized and competitive world. Within changing and competitive environment banking industry also adopt innovative financial solutions in order to empower their customers in the modern society. Automated self-services were introduced with the purpose of providing highly improved and satisfied service to the customers. Some issues have been recorded and they have affected to the quality of the service. The increase of using ATMs and CDMs become challenging to make the customers satisfy in all possible service dimensions that is expected to be delivered in an effective manner by the banking sector. Identifying problems regarding self-service banking units is necessary for the bankers to provide uninterrupted and satisfied services to community. The purpose of this study was to investigate the impact of service quality of self-banking (SBSU) service units on customer satisfaction in Public banks in Kandy district. Service quality of SBSU is considered as the independent variable while customer satisfaction is the dependent variable. A standard questionnaire was used to collect the data. The sample of 120 self-service banking units' users was selected using convenience sampling. The collected data were analyzed using descriptive and inferential analysis. The results revealed that responsiveness, ease of use, security and privacy of SSBUs were positive and significantly correlated with customer satisfaction. Introducing SSBUs in Public banks facilities to improve the effectiveness and efficiency in relation to Public sector banking operations has become a major competing strategy against the private banks. The study enabled to understand the attitudes of the customers on service quality of the Self- Service Banking Units and managers to make important decisions on the findings of this research. Continuous maintenance and effective communication, developing technologies, enhancing the technical functionalities of the systems, establishing more machines in different locations can improve SSBUs service quality.

**Keywords:** *Customer satisfaction, self-service banking units, service quality*

## **Impact of social media on brand awareness and purchase intention: Special reference to fashion retail industry in Sri Lanka**

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### **Abstract**

Social media has become the modus operandi of the 21<sup>st</sup> century. The emergence of social media marketing has bought a new perspective to the traditional marketing through enabling company and its customers a direct communication. In light of such positive ground for social media, this study aims to examine the impact of social media on brand awareness and purchase intention. Thus, this study ramifies the social media marketing activities as social media advertising and electronic word of mouth (eWOM) and identify the impact on brand awareness and purchase intention. For the sake of data collection a form of explanatory research method was applied. The statistical sample consists of 150 social media users selected among Sri Lankan state University students and hypotheses were tested using regression analysis and correlation analysis. The results have highlighted that, social media advertising and eWOM have a significant positive relationship with brand awareness. There is a significant positive relationship between brand awareness and purchase intention. The study reveals that customers are paying their attention on both social media advertising and electronic word of mouth before making a purchase. Customers expect frequent updates and posts on their fashion retail products to be seen on a company's social media pages and the uploaded advertisements by a company should be more informative, useful, updated and message to customers. This study revealed that customers pay their attention on the electronic word of mouth that are created by peer customers. A higher number of likes, shares and comments will make customers confident and thus create intention to purchase. The awareness created by social media advertising and electronic word of mouth can turn into an intention to purchase only if the social media marketing attempt got succeeded.

**Keywords:** *Brand awareness, electronic word of mouth (eWOM), purchase intention, social media advertising*

# **Impact of talent management practices on employee retention in telecommunication industry in Kandy district**

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## **Abstract**

Talent management is a vital strategy that can be used to achieve competitive advantages in the dynamic business environment. It directs to retain the skilled and expertise employees who are more valuable to the organization. The researcher conducts the study on the objective of identifying the impact of talent management practices on employee retention in telecommunication industry in Kandy District Sri Lanka. Quantitative research which conduct on deductive approach was applied. Primary data was collected from executive level employees over a self-structured questionnaire. Five hypotheses were developed based on previous literature and empirical studies and tested. The findings show that talent management has a positive significant relationship between employee retention, career development, performance management, and succession planning. Moreover, the talent acquisition shows a partially accepted relationship between employee retention. Skill audits, career mentors, performance base promotion procedures, and encouraging internal job rotation can improve the employee retention attitudes. Additionally, giving more attention on enhancing the practices on recruitment processes, induction process, feedback, and career development programs will guide to attract the existing talent pool in the industry.

**Keywords:** *Employee retention, talent management, telecommunication industry*

# **Impact of Total Quality Management practices on organizational performance of manufacturing companies in Sri Lanka: Special reference to Gampaha district**

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## **Abstract**

Total Quality Management (TQM) is important for every organization which aims to achieve long-term success through customer satisfaction. This study aimed at assessing the impact of TQM practices on organizational performance of manufacturing companies in Sri Lanka, with special reference to Gampaha District, by testing six hypotheses. In this study, TQM practices were discussed under five dimensions; leadership, customer focus, strategic planning, employee management and involvement, and supplier quality management. Organizational performance was measured under three dimensions; quality performance, financial performance, and employee performance. The sample consists of 100 managerial level employees of the manufacturing companies in Gampaha District. Pearson's correlation analysis and multiple regression analysis were conducted to test hypotheses. Results of Pearson's correlation analysis revealed significant-positive relationships between all TQM practices and organizational performance. According to the regression analysis, leadership and supplier quality management had significance influence on organizational performance. Also, this study recommended that, manufacturing organizations should properly implement TQM practices to improve organizational performance.

**Keywords:** *Manufacturing organizations, organizational performance, total quality management, TQM practices*

# **Influence of occupational stress on job performance among academic staff at Faculty of Management Studies of Rajarata University of Sri Lanka**

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## **Abstract**

Over the years, there has been a significant concentration on recognition and managing occupational stress as an important problem and it affects to humans' behaviour and job performances. With this identification, the organization has enhanced their awareness towards this issue. The occupational stress contributes to significant portion of health care cost, employee absenteeism and it reduced the organizational productivity. Enduring stressful situation at work create a negative impact not only on employees' performance but also hinders the overall performance at organizational level. It is very complex relationship of work stress and job performance thus organization need to take strategic decisions to manage this relationship. This study aims to investigate as to influence of occupational - stress on job performance among academic staff at Faculty of Management studies of Rajarata University of Sri Lanka. When reviewing literature regarding influence of occupational stress on job performance, the developed countries are more prominent than developing countries. Researchers identified Workload, Role Conflict and Role Ambiguity as independent variables and Job Performance as dependent variable. The data were collected from all the academic staff (55) in the Faculty of Management Studies by using none random sampling techniques and responded rate reached to 87%. Primary data was collected through the self-administrative questionnaire. Linear regression, correlation and descriptive analysis were used for the data analysis by using SPSS. The results show that Workload has a strong negative significant impact on Job Performance while Role Conflict and Role Ambiguity have negative significant impacts on job performance among academic staff in the Faculty of Management studies of Rajarata University of Sri Lanka. So, this paper emphasizes the identification of how occupational impact on job performance and focusing strategies for solutions to enhance the performance of academicians.

**Keywords:** *Academic staff, job performance, occupational stress, working environment*

# **Influence of organizational factors on job satisfaction of apparel sector employees in Anuradhapura district**

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## **Abstract**

Job satisfaction of the employees in every level of an organization is a key factor for the survival of a company. It directly addresses the overall performance of a company. So, the organizations must be in line to capture the employees with a high level of job satisfaction. The objective of this study was to investigate the influence of organizational factors on the job satisfaction of the Apparel Sector Employees in Anuradhapura district. Organizational factors were considered as the independent variable and the Job Satisfaction of the Apparel Sector Employees in Anuradhapura district was considered as the dependent variable. Researcher used five organizational factors as the independent variables and by basing on them five hypotheses were built. The population of the study is the apparel sector employees in Anuradhapura district. The sample was 100 employees which were selected from an apparel factory in Anuradhapura district. The sample was selected by stratified sampling technique to achieve the research objectives and this study measured the job satisfaction of all level employees. A questionnaire was used to collect the data from the employees. Respondents were asked to indicate their agreement or disagreement on Five Point Likert Scale as the scaling method. Mean Score and Standard Deviation were used for all the variables for univariate analysis and correlation coefficient was used for bivariate analysis using SPSS software. The hypotheses were tested using the correlation and regression analysis. The results indicated that the job satisfaction of the employees was in moderate level. The influence of organizational factors on job satisfaction of the employees has not been changed according to the gender, age or category of employee. The results of correlation analysis illustrated that the organizational factors are positively and significantly correlated with the job satisfaction of the employees. A weak positive and significant relationship was found between all the factors except promotional opportunities.

**Keywords:** *Apparel sector, employees, job satisfaction, organizational factors*



# **The contribution of academic staff to promote open innovation in Sri Lanka: With reference to management faculties of selected state universities in Sri Lanka**

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## **Abstract**

Organizations directly welcome university research outputs for their development. Recently many organizations have been established in collaboration with educational institutions such as universities. The collaboration between universities and industries is critical for skill development, the generation, acquisition, and adoption of knowledge (Innovation and knowledge transfer) and the promotion of entrepreneurship. Further, open innovative environmental and industrial issues should be addressed by university researchers, in which research output may be a form of new product, service or business process improvement that can be commercialized through patent and licensing. In this knowledge exchange process, academics who are deemed as a strategic group of this innovation process should take the lead. Hence, the study was directed to identify the contribution of academic staff to promote open innovation in Sri Lanka. Here, research partnership and research service, commercialization of intellectual property, informal knowledge transfer and productivity publication were important dimensions of academic contribution. The study was limited to the academic staff of Management Faculties in state universities and 300 academics were reached randomly for data collection. It represents the Rajarata University of Sri Lanka, Wayamba University of Sri Lanka, University of Kelaniya, University of Peradeniya and University of Ruhuna. A self-administrated questionnaire was utilized for the purpose. Descriptive statistics, correlation and regression tests were conducted on purified data set for testing hypotheses. The light of the correlation has proved four statistically significant correlations between all independent variables and the dependent variable; however, regression has rejected the impact of research partnership and productivity publication on the open innovation in Sri Lanka. Accordingly, commercialization of intellectual property and informal knowledge transfer have promoted open innovation of the Sri Lanka. Hence, the university should develop a mechanism to commercialize its scientific findings and facilitate for informal knowledge transfer process between university and industry for the development of the collaboration of those two.

**Keywords:** *Commercialization of intellectual property, informal knowledge transfer, open, innovation, productivity publication, research partnership*

# **The impact of high-performance work practices on employee innovative work performance: The mediating role of work engagement in the telecommunication industry in Sri Lanka**

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## **Abstract**

Business Landscape in organizations has been drastically changed by globalization, technological advancement, shorter product life cycle, and competition. Employee's distinctive capabilities may achieve business excellence than competitors in the industry through innovative work behaviour. Therefore, organizations effectively use a set of human resource practices to attract, select, hire, develop, and retain high-performing personnel in their workplace. The purpose of this study is to investigate the set of human resources practices that drive employee innovative work performance. This study is predominantly designed as a quantitative study upon the positivistic paradigm with the purpose of identifying high-performance work practices and employee engagement to enhance the employee innovative work behaviour in organizations. Both primary and secondary data were utilized in this study. Primary data were collected from the target group through an online self-administered survey. The sample for this study was drawn from the telecommunication industry in Sri Lanka, 156 responses were analyzed and Cronbach's alpha values confirmed the reliability of data. The data were analyzed using correlation, Baron and Kenny Mediator analysis as well as the Sobel test. The results revealed that high-performance work practices and employee engagement are positively related to employee innovative work behaviours in the Sri Lankan Telecommunication industry. Sobel test identified that the employee engagement partially mediates the said relationship. The findings thereby indicated that innovative work behavior in modern organizations should be more interactive and engaging.

**Keywords:** *High-performance work practices, innovative work performance, telecommunication industry, work engagement*

# **Why application of green management practices is difficult in Sri Lanka?**

## **With reference to Rajarata University of Sri Lanka**

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### **Abstract**

The world has been developing to its highest exceeding the development rate of natural resources and has now made a substantial impact on human beings and the environment. Recent climate changes and natural disasters have reverted pure economic development into sustainable development protecting natural resources to upcoming generations. The concept of Green Management was born on this platform and it was quickly embraced by many institutes around. However, the application of such practices is subjected to many factors. Hence, the purpose of this study is to investigate factors that hinder the progress of Green Management Practices in the country concerning the Rajarata University of Sri Lanka. This quantitative nature explanatory study followed the deductive research method on which three independent variables were seemed as constraints and were incorporated into the conceptual framework. The study hypothesized that student intension, culture and communication delay green practices of the university. A self-administered questionnaire was distributed randomly among 369 undergraduates in the Faculties of Management Studies, Social Sciences, Applied Sciences, and Technology. Statistical tests were applied to reach research objectives. The study found that the application of Green Management practice at the university was significantly low and was not faculty-driven. Further, it found that students' intension, culture, and communication significantly delay green practices in the university. Accordingly, if the university wishes to incorporate with many green practices into the existing procedure, developing a green culture within the university and uplifting students' interest is of a vital necessity. In this process students should properly be acknowledged about returns of such practices formally.

**Keywords:** *Culture, environment, green management*

# **Economics and Entrepreneurship**

# Determinants of technological progress of SMEs in the era of economic globalization: A systemic review

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## Abstract

Small and Medium Enterprises (SMEs) are recognized as the engine of sustainable economic development of all the nations. In the current globalized world, the business entities are facing three competitive challenges - global challenges, technological challenges, and sustainability challenges. Due to the less capability of SMEs to facing the competitive challenges, a large number of SMEs have been closed-down within a shorter period of its commencement. Thus, this study aimed to explore the existing knowledge on technological challenges facing the SMEs and identify how the technological progress in the SMEs correlates with their survival and succeeding improvements, through a systemic review of the research materials published by the reputed publishers. This study identified six driving forces influencing technological progress including (1) innovations, (2) link with (MNCs) and (TNCs), (3) information technology, (4) sharing and networking, (5) social capital and (6) adaptation to productivity-enhancing technologies. The review also identified two approaches in technological innovations in SMEs - technology exploitation and technology exploration. The concept of "Kaizen" could be an approach in both technology exploitation and technology exploration in the technology upgrade process. The clustering method, social capital approach and linking with large firm's value chains could be identified as the other approaches. TNCs and MNCs generate technological externalities to the SMEs and enabling them for speed adjustment towards changing market conditions and undertake innovative approaches in the production and marketing process. The adaptation of ICT as well as green technology by SMEs reduce the operational cost, improve the service to customers, improve market intelligence, increase response speed between producer and customer as well as producer and input supplier and enhance the relationship with trading partners. Additionally, authors revealed a positive relationship between product innovation strategies of SMEs and business process digitalization. Social capital and business collaboration through networking approach could generate technological innovativeness and economies of scale among the SMEs and thereby improve competitiveness in their businesses. In the current globalized world, SME's competitiveness and sustained growth highly depend on efficiency and productivity. Education, the scale of business operations, usage of banks for transactions, and training in business support services are the determinants of productivity and business growth. Finally, this study identified three conditions for successful technological adaptation – availability of technologically skillful workforce, identification of opportunities of new technologies, and supporting working and policy culture.

**Keywords:** *Competitive challenges, economic globalization, SMEs, SME performance, technological challenge*

## **Entrepreneurial intentions among undergraduates: With special reference to undergraduates in Jaffna district**

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### **Abstract**

The main aim of this study is to examine the extent to which personal factors determine the intention of the undergraduates to start up a business. Graduates' unemployment is a huge problem in Sri Lanka. Especially, graduates from Arts and Social sciences are high in number and they wait a long time to get their first employment and staged many protest campaigns to appeal to the government authorities to provide employment opportunities with them. It is observed that graduates in the Jaffna district hesitate to start their own business as they prefer employment in the public sector. A sample of 534 final year undergraduate students from HEIs, who study in all the disciplines other than medicine and engineering, was selected for the study using a convenience sampling technique. The research model was designed based on Ajzen's theory of planned behavior to identify the factors influencing the entrepreneurial intention of these students. The findings showed a significant and positive relationship between attitudinal factors, behavioral factors and educational support and entrepreneurial intention. From the linear regression analysis, it is concluded that the behavioral factors have a greater impact on entrepreneurial intention of the undergraduates.

**Keywords:** *Attitudinal factors, behavioral factors, educational factors, entrepreneurial intention, undergraduates.*

# **Impact of green intra and extra sustainable manufacturing practices on organizational economic sustainability in the manufacturing sector organizations in Anuradhapura district**

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## **Abstract**

The emergence of the concept of sustainability reflects a decisive change in global thinking, thus forcing organizations to reconsider the approach in conducting their firm operations. If the firms needed to get strong performance continuously, firms should re-establish their corporate strategy by introducing and implementing more integrated green sustainable practices. When reviewing literature regarding green intra and extra practices, developed countries are prominent than developing countries. However, research in Sri Lanka has little attention on sustainability with greening process. The objective of this study is to fill this research gap by testing the impact of green intra and extra manufacturing practices on organizational economic sustainability in the Manufacturing Sector. The study identified Intra (Green Production, Eco Management & Green Technology) and Extra (Green Policies, Green Marketing & Public Pressure) Sustainable Manufacturing Practices (SMP) as independent variables and Organizational Economic Sustainability as dependent variable. The data were collected from 30 manufacturing sector organizations in Anuradhapura district by using convenience sampling technique method. Primary data was collected through a self-administrative and 5-point Likert type questionnaire. Descriptive analysis, correlation and linear regression model were used for the analysis of collected data. This study found that variables of Intra SMP has a positive significant impact on Organizational Economic Sustainability and variables of Extra SMP has positive impacts except green marketing and public pressure, because they do not have knowledge about green concept, good marketing strategies and low public pressure. In general, the results have empirically proven the role of SMP in influencing the economic performance. Thus, it is suggested that, firms should clearly define and grasp economic opportunities gained from being environmental friendly and socially responsible instead of acting on well-intentioned impulses or reacting to external pressure.

**Keywords:** *Anuradhapura district, manufacturing sector organizations, organizational economic sustainability, green sustainable manufacturing practices*

# **Impact of microcredit facilities on empowering women entrepreneurs at household level in Gampaha district, Sri Lanka**

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## **Abstract**

Microcredit is an important source that addresses to the lower-income people those who cannot access to the formal financial institutions. The empowerment of women entrepreneurs plays a vital role in the social mission of poverty alleviation. They also have to involve to the process of income generation via some appropriate activities like micro business. Microcredit has a key role empowering rural women in developing countries such as Sri Lanka by accessing credit facilities for their income generating activities to improve rural women's entrepreneurship. The key objective of the study is to investigate the impact of microcredit facilities on empowerment of women entrepreneurs at household level in Gampaha District. In this study, three main independent variables; loans, savings and insurance were tested under the construct of Microcredit facilities and dependent variable as Empowerment of Women Entrepreneurs at Household Level. The population of this study was all women entrepreneurs in Gampaha District. In which 150 women entrepreneurs were selected administrating stratified random sampling from the Minuwangoda Divisional Secretariat in Gampaha District as the sample. Both primary and secondary data were used for the current study. Self-administrated questionnaire with five point Likert scale was utilized for collecting the primary data. The collected data was analyzed using descriptive and inferential statistics with the support of statistical package SPSS 21. Cronbach's alpha values confirmed the reliability of data and all hypotheses were statistically supported. Further, the result of this study indicated that all independent variables; loans, savings, insurance are significantly correlated with empowerment of women entrepreneurs at the household level. Similarly, regression result also indicated significant impacts of loans, savings and insurance with empowerment of women entrepreneurs in the area. The findings of the study there by indicated that the micro finance institutions should provide attractive micro loan options, saving options and insurance options as strategies for empowering women entrepreneurs at the household level for the maximum achievement. Finally, future studies also recommended conducting the same in different districts in Sri Lanka to generalize the result with more advanced statistical techniques.

**Keywords:** *Empowerment, microcredit, women entrepreneurs*



# **Relationship between macro-economic variables and stock market prices: With special reference to Colombo Stock Exchange**

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## **Abstract**

The relationship between macroeconomic variables and the stock prices has been tested by many researches with reference to different economies. Fluctuations in stock prices occur due to the supply and demand forces. But there is no pool proof or perfect system that indicates the exact movement of stock prices. The movement of stock prices is based on internal and external factors. Internal factors are dividend per share, earning per share, book value, leverage and size. External factors or macroeconomics variables are money supply, influence rate, gross domestic products, interest rate, government regulation and foreign exchange rate. Therefore, the present study focusses on the relationship between macroeconomic variables and the stock prices in Sri Lanka. All share price index was taken as the dependent variable and Exchange Rate, Interest Rate, Inflation Rate, Money Supply, were considered as independent variables. Monthly data of a ten years period from 2008 to 2017 relating to Sri Lankan economy were obtained from different sources such as Colombo Stock Exchange data library, Central Bank website and the Department of Census and Statistics. Data were analyzed using descriptive analysis, correlation analysis and regression analysis. As per the four regression models resulted, exchange rate and interest rate demonstrated inverse relationship, where money supply showed a positive relationship and inflation rate demonstrated a negative relationship but not significant on stock prices.

***Keywords:*** *Macroeconomic variables, stock market prices*

# Stock market development and economic growth in Sri Lanka

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## Abstract

The stock market is widely recognized as means for domestic resources mobilization, facilitating the supply of long-term financing for investments with Gross Domestic Product (GDP) growth potential. In a long-term perspective, stock markets are expected to play several key roles. The stock market makes a significant contribution to the growth of the economy. Economic growth of each and every country wields influence on the money supply and the activities of the capital market. The growth of stock markets can lead to a lower cost of equity capital and thereby help investments to take place and accelerate economic growth. Furthermore, imposing a degree of control over the investment behavior of companies through continuous monitoring of their share prices can contribute to more efficient investment. The primary objective of this study is to investigate impact on stock market development on economic growth in Sri Lanka during the period 1990 to 2018. Stock market capitalization ratio and Stock market activity were used as measures of stock market development while GDP growth was used as dependent variable. In order to test the hypothesis, study employed descriptive statistics, correlation analysis and regression analysis. The results of this study reported a bidirectional relationship between real market capitalization and economic growth which is supported with the findings of the Jahfer (2004) while a unidirectional relationship flowing from both stock market activities to economic growth.

**Keywords:** *Stock market development, stock market capitalization ratio, stock market activity and economic growth*

## **The survival strategies of small and medium enterprises (SMEs) in the global competitive environment**

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### **Abstract**

Globalization has been recognized as an opportunity for SMEs. On the other hand, it has created new challenges for SMEs due to the increased competition, resulting in a large number of SMEs forced to close down after a shorter period of commencement. Accordingly, SMEs need to develop survival strategies and adopt those to succeed in a challenging global business environment. The objective of this study was to identify the major challenges for SMEs and the strategies for survival and succeeding. For achieving above objective, authors have systematically reviewed the research materials published by the reputed publishers. Based on such information, authors identified some major challenges including the rise of multinationals, change in consumer profile and preferences, global financial crisis, information communication technology, cheap imports, and trade wars. Authors further identified the following as the survival and succeeding strategies: SMEs attempt to create links with MNCs and TNCs and such relationships facilitate SMEs to absorb the technology and production know-how, managerial and marketing skills, and experience in the value chain. Furthermore, it forces SMEs to apply innovative techniques in the production process to improve survivability. Additionally, the FDI creates two types of spill-over benefits on the local firms - they are productivity and market access and the export market in particular. The networking among business entities enables SMEs to improve their competitiveness via sharing resources, including business information, creating new global value chains, and creating novel market opportunities. It reduces the business transaction cost and risks, facilitates SMEs to acquire the knowledge and capabilities, and help commercialize innovations. The networking also allows SMEs to earn non-tradable resources such as reputation and visibility and increase the internationalization speed. Adaptation of ICT is also a strategy in accelerating the SMEs' internationalization. Specifically, the use of internet facilities in the business leads to transfer knowledge to the SMEs and enable utilizing resources more efficiently, build-up relationships with new vendors supporting the SMEs for cost minimization, find new customers, and gain the benefit from decreasing communication cost and quicker transaction processing. The enhancement of owner-specific dynamic capacities and market-related dynamic capabilities were identified as the crucial firm-level survival strategies of SMEs in facing global challenges. Finally, the authors highlight a need for a robust theoretical investigation on the survival strategies of SMEs in a competitive global environment.

**Keywords:** *Global challenge, innovations, market competition, SMEs, survival strategies*

# **Human Resource Management**

# Application of the five precepts of Buddhism for human resources development in business context

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## Abstract

Five precepts (Pancha Sila) were the basic Buddhist code of ethics and ethical guidelines for the followers of the philosophy of Buddha. According to the Heathfield (2020) Human Resource Development (HRD) is the framework for helping employees to develop their personal and organizational skills, knowledge, and abilities. In the idea of Gibb (2006), human resource development was about the change of the whole person, not just the academic or vocational pieces of knowledge or skill needed for work. There were very few studies relating to the five precepts of Buddhism for human resources development in business context, which refers to the problem of the study. Further justifying the problem, there were many scholars who did researches in Buddhist perspectives and personal development, but still a gap exists in focusing the application of the five precepts of Buddhism for human resource development in business context. Therefore, this study fills the above literature gap. The objectives of this study were to review the five precepts of Buddhism for human resources development in business context. The methodology of the study was qualitative and conducted a systematic review of the literature. “Thripitaka” was the main secondary data source reviewed by the researcher. According to the review found, the five precepts include; 1. Not intentionally killing living beings (Panatipata veramani sikkhapadam samadiyami), 2. Take only what has given. (Adinnadana veramanisikkhapadam samadiyami), 3. Sexual misconduct (Kamesumicchacara veramanisikkhapadam samadiyami), 4. Refrain from incorrect speech (Musavada veramanisikkhapadam samadiyami), 5. Avoid intoxicants (Surameraya majjapamadatthana veramanisikkhapadam samadiyami). According to (Tripitaka) these five precepts lead to better behaviour of human (Imānipañcasikkhāpadāni, Sīlenasugatimīyanti, sīlenabhogasampadā, sīlenanibbutimīyanti, tasmāsīlamvisodhaye.). In referring to the business context, it will be benefited on the smooth organizational operations by minimizing conflicts, alcohol addictions, industrial disputes, accidents, sexual harassments, incorrect speech. Finally, the review concluded that five precepts could successfully be applicable in the business context which generates plenty of positive benefits to the organization by governing the behaviours of the employees.

**Keywords:** *Behaviours, Buddhism, five precepts, human resources development*

# **Factors influencing organizational commitment of government school teachers in Anuradhapura district, Sri Lanka**

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## **Abstract**

Teachers are the most important contributors for increasing the efficiency and effectiveness of the educational sector. Although, the teachers' organizational commitment is an important work-related attitude that influences the performance of teachers, students and schools, the researchers have given less attention to this important area. Therefore, the objective of this study was to investigate the factors influencing teachers' organizational commitment in Anuradhapura District. Salary, promotional opportunities, training, working conditions, co-worker support, and social status were identified as the independent variables and organizational commitment was the dependent variable. The data were randomly collected with a structured questionnaire from 100 government school teachers working in Thalawa educational division in Anuradhapura district. The data were analyzed by using statistical tests such as reliability test, descriptive statistic, correlation, and regression tests were performed using SPSS. The results indicated that all the independent variables are positively correlated with organizational commitment. Furthermore, it was revealed that teachers' social status is the most influencing factor on their organizational commitment. The findings of this study would help decision makers in education sector in numerous ways.

**Keywords:** *Influencing factors, organizational commitment, teachers, social status*

# **Factors influencing work life balance of managerial level employees in apparel sector organizations in Anuradhapura district, Sri Lanka**

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## **Abstract**

Work Life Balance (WLB) is the state of equilibrium where a person equally prioritizes the demands of one's career and the demands of one's personal life. Imbalance in work-life will create many problems in life satisfaction and workplace satisfaction. Although, this area has received increasing attention of the researchers, there is a huge research gap in the apparel industry in Sri Lanka. Therefore, the objective of this study is to examine the factors influencing WLB of managerial level employees in apparel sector organizations in Anuradhapura district, Sri Lanka. Organizational support from work-related aspect, demand of home from family-related aspect and personality from self-related aspect were selected as independent variables and the dependent variable was WLB. The study randomly selected two large apparel firms in Anuradhapura district and surveyed randomly selected 80 managers using a structured questionnaire. Univariate, bivariate and multivariate methods of data analysis were used in the data analysis. The analysis was conducted using the SPSS. The hypotheses were tested using the Pearson correlation and regression analysis. The results revealed that the demand of home and personality were positively and significantly correlated with WLB, whereas organizational support was moderately correlated with WLB. Moreover, the demand of home as one of the main parts of the family related aspect is the most influencing factor on WLB. Thus, the findings imply that there is a significant relationship between demand of home, personality and WLB of managerial level employees in apparel sector organizations in Anuradhapura District. These findings lead to important managerial and policy implications.

**Keywords:** *Demand of home, organizational support, personality, work life balance*

## **Impact of emotional intelligence on employees' performance: A study of Municipal Council in Jaffna district**

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### **Abstract**

The performance of employees is much important to fulfil and execute the tasks in any organization. It is vital which gives the privilege to the organization to be in sustainable condition for long term survival. Employees should able to understand, use, positively manage their own emotions to relieve stress, and overcome the challenges to work in the working environment. All these emotional symptoms could affect employees' performance. They can lead either higher or lower morale, which will impact the employees' performance positively or negatively. This performance leads to productivity and helps the business to increase the profits and consistently meet sales goals. Hence, it is significant to identify the impact of employees' emotional intelligence on their performance. Further, this research paper sheds light to comprehend the emotional intelligence level, performance level and the effect of emotional intelligence on employees' performance in the Municipal council, Jaffna. The objective of this study is to identify the impact of emotional intelligence on employees' performance among middle-level employees in Municipal Council Jaffna. Emotional intelligence is identified as the independent variable, it consists of self-awareness, self-regulation, self-motivation, social skills, and empathy. The dependent variable is the employees' performance, and it consists of quality of work, timeliness, and interpersonal relationship with the public and staffs. The survey method was used as the method of data collecting. The population was the employees of Municipal council in Jaffna District and 100 employees who are conveniently selected and did snowball as samples. The sample includes employees from three different job positions like Management Assistant, Development Officers and Revenue Inspectors at the middle-level. Regression method is used to analyze collected data with the support of SPSS. The finding of the study revealed that there is a significant impact of emotional intelligence on employees' performance in Municipal council, Jaffna District. All the sub-variables, respectively self-awareness, self-regulation, self-motivation, empathy and social skills also revealed that there is a positive impact on employees' performance. It can be concluded that emotional intelligence of employees should be managed in order to perform well.

**Keywords:** *Emotional intelligence, employees' performance, empathy, self-awareness, self-regulations, self-motivation and social skills*



# **Information Systems**

# **Awareness on computer viruses among the undergraduates of Faculty of Management Studies, Rajarata University of Sri Lanka**

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## **Abstract**

Due to the revolution in computer connectivity in digital technology, benefits as well as drawbacks are gifted. Virus infection is one of consequences that come under cybercrime and it is a new wave of crimes using the internet. With the development of the technology, virus writers try to spread virus that can go beyond the technology as well as this leads to cause financial losses. Youth usually tend to involve in cybercrime. Computer security experts have found that universities are the least secure place in the universe and the end users are the weakest link in the security chain. Because of this, they need to practice security controls properly. As a country that uses modern technology, Sri Lanka has also become dependent and it leads to cause a high risk on Information Technology in near future. Accordingly, it is expected from this study to examine the students' awareness on computer viruses among the undergraduates in the Faculty of Management Studies, Rajarata University of Sri Lanka. Researcher considered 144 undergraduates as the sample of the study upon convenient sampling technique and used questionnaires and a practical test to collect data. The collected data were analyzed using statistical package SPSS 21 and underwent with several tests like descriptive analysis, ANOVA, Independent sample t-test, correlation coefficient and regression analysis. The study concluded that students who follow different degree programmes had different level of awareness and they failed to apply the knowledge they received in practical situations. However, most of the students have used security methods in order to mitigate the related threats. Further, the findings revealed that there was no difference in the level of awareness on computer viruses between male and female students. This study recommends that the need of curricular revision of each discipline area should be employed so that they may gain good and same level of awareness. As the students have low practical usage, the study recommends arranging hands on workshops to gain practical knowledge. So, it would aid to enhance theoretical and practical knowledge in computer viruses and enhance capabilities to protect themselves and society from cyber threats.

**Keywords:** *Awareness on computer viruses, degree programme, practical usage, security methods.*

# **Factors affecting on adoption of business intelligence to Small and Medium Enterprises in Anuradhapura district, Sri Lanka**

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## **Abstract**

Business Intelligence (BI) is one of the decision support tools that offer the ability to gather, store, access and analyze the huge amounts of data and support for making effective decisions. There is a rich body of literature relating to the BI adoption and their related benefits over the SMEs in developed countries. But the researcher's pilot survey depicts that in developing countries, especially in Sri Lanka, if larger companies adhere to the new technologies, it's remaining very low to the SMEs. Therefore, those companies still taking a long time to analyze data, interpret data and present data so on. The objective of this study was to address this research gap by examining the factors affecting Business Intelligence adoption by Small and Medium-sized Enterprises in the Anuradhapura district in Sri Lanka. By initiating the deductive approach, a research model was developed using independent variables of relative advantages, complexity, organizational resource availability, competitive pressure and the dependent variable of BI adoption by SMEs. 100 SMEs considered the sample out of 4987 SMEs of the total population which the details obtained through the Divisional Secretariat Office in Anuradhapura. An administrative questionnaire was distributed to collect the data adhering to the Stratified Sampling technique. The collected data were analyzed using SPSS version 21.0 and the results revealed that relative advantages, complexity, organizational resource availability and competitive pressure showed a high effect on BI adoption and the mean value is higher than 3.0. According to correlation analysis, three factors showed a significant and positive relationship with the dependent variable except for complexity with BI adoption. According to that three hypotheses were accepted and one was rejected. The research findings elaborate and statistically proved the reasons for minor adoption of new technologies including Business Intelligence by SMEs in Anuradhapura District. Further, this study highlighted the actions that need to be taken by the Sri Lankan government and IT/IS vendors while providing direction for future researchers.

**Keywords:** *Business intelligence, information systems, small and medium-sized enterprises*

# **Factors affecting online shopping intention of Sri Lankan consumers: With special reference to Central Province, Sri Lanka**

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## **Abstract**

Online shopping is one of most popular features around the world as well as in Sri Lanka. People are tending to do online shopping and most of the business organizations try to use online shopping to sell their products and to increase their market. However, lack of intension towards online shopping further establishes and it is essential to identify the factors affecting for online shopping intension. This study has been focused to identify the impact of factors such as Awareness, Convenience, Variety of Product, Infrastructure and Social Influence impact on customers' online shopping intension with special reference to Central Province of Sri Lanka. The researcher has taken demographic factors such as gender, age and education level as moderating variables. A quantitative approach was adopted with a sample of 100 internet users by using convenience and purposive sampling methods. The hypotheses were tested using descriptive statistics and inferential statistics. Results of the study showed that independent variables; Awareness, Convenience, Infrastructure and Social Influence have significant effect on online shopping intension which means that they have considerable impact on customers' online shopping intension. However, regression analysis results indicated that the variable; variety of product has no significant impact on online shopping intension. Further, it was found that if the infrastructure and awareness regarding online shopping are increased, the customers are likely to show more intension towards online shopping. The study results are helpful to online marketers to design a better marketing strategy to influence customers' online shopping intention. Furthermore, this study addresses the deficiency of industry-specific studies on the factors influencing customer motivation to accept online shopping in Sri Lanka. Future research may examine shopping intention in different models such as business-to-business (B2B) and consumer- to-consumer (C2C) interaction.

***Keywords:*** *Online shopping intension, marketing strategy*

## **Factors affecting customer adoption of internet banking: With special reference to Polonnaruwa district**

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### **Abstract**

With the rapid growth of the Internet and wireless technologies, Internet Banking has become an integral part of the banking system which help to easily grasp their customer base. However, as far as Sri Lanka's Internet Banking demand is concerned, it is still relatively low compared to other developing countries. In addition, the researchers reveal that the vast majority of Sri Lankan Internet Banking users do not actually become active users compared to other countries. The general objective of this research was to find the factors affecting to customer adoption of internet banking using the Unified Theory of Acceptance, and Use of Technology 2 model. The population of the study was Internet Banking users in Polonnaruwa district and the sample was 200 customers selected by employing convenient sampling technique. An online distributed structured questionnaire was used for data collection purposes and collected data were analyzed by applying regression and correlation analysis with the help of SPSS version 21. Research findings reveal that adoption of Internet Banking has been significantly influenced by effort expectancy, facilitating conditions, habit and experience, performance expectancy, and the social influence. Additionally, it provides an idea of the feasibility of applying the Unified Theory of Acceptance, and Use of Technology 2 model to analyze the customer adoption of Internet Banking in the Sri Lankan context. However, the findings expose that hedonic motivation and price value do not play an important role in the customer adoption of Internet Banking. This evidence that the bankers should provide an assurance and facilitation to Internet Banking users in order to maintain a long-term relationship with the Internet Banking service. The outcome of this study is important to a variety of stakeholders, such as bankers, internet service providers, prospective researchers and relevant authorities, as well as it can be used to provide an excellent service to banking customers.

**Keywords:** *Internet banking, customer adoption, unified theory of acceptance, and use of technology 2.*

## **Factors affecting selection of web browsers by university students**

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### **Abstract**

Web browsers are amazing. They make the World Wide Web accessible to everyone. Variety of web browsers are available on the Internet, free of charge. Nowadays, Chrome, Firefox, Explorer, Edge, Safari and Opera browsers are most popular and, people around the world use them in daily operations. Except for these browsers, there are other browsers that have superb features people might like more. Therefore, people need to take time experimenting with diverse browsers to find the one they like best if still using the device's default web browser. In the case of expanding the browser horizons with the view of picking up the right web browser to use, people take a number of vital factors into consideration. This study aims to investigate the factors affecting the selection of web browsers by keeping the straight attention on a sample of hundred and thirty undergraduates who are currently studying in Rajarata University selected through stratified sampling and research data were collected through structured questionnaire for the study purpose. As per research findings all the four factors highlighting in this study were positively influenced towards the selection of web browsers and Browser Performance, Security, Awareness and User-friendliness are the factors need to look at more when selecting the loved web browser to go on.

**Keywords:** *Browser awareness, browser performance, browser security, browser user-friendliness, selection of web browsers*

# Factors influencing electronic word-of-mouth adoption of online consumers in Western Province

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## **Abstract**

Emerging of new technologies, Internet and electronic businesses have created new online platforms for consumers to share their shopping experiences with others and they are involving in online purchasing decisions. The lack of attention and less number of studies been conducted in developing countries on electronic word-of-mouth concept and the inaptitude of the concept and its application to scholars and practice in Sri Lanka are considered in conducting the study. Any negative or positive statements about a product or service, by current, former or potential consumers, called electronic word of mouth. The purpose of this study was to gain a better understanding about factors influencing the electronic word-of-mouth adoption of online consumers in Western Province in Sri Lanka. The model of the study has identified three factors, which influence the electronic word-of-mouth adoption of online consumers (Information usefulness, information credibility and electronic platform). Convenience sampling technique was used in order to reach conveniently available respondents and 150 respondents who engaged in online purchasing in Western Province participated in a self-administered questionnaire. Findings of the study was demonstrated by all independent variables.

**Keywords:** *Electronic platform, electronic word-of-mouth, information credibility, information usefulness*

# **Factors influencing towards the adoption of social media marketing in Small and Medium Enterprises in Anuradhapura district**

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## **Abstract**

The primary objective of this research was to identify factors influencing towards the adoption of Social Media Marketing (SMM) in Small and Medium scale Enterprises (SME) in Anuradhapura, Sri Lanka. A low adoption rate of social media marketing by SMEs was identified as a major research problem and accordingly several hypotheses were developed. Literature provides evidence based on previous related articles, models and theories which were related to the factors affecting towards the adoption of SMM. According to literature, four factors were highlighted for the survey in depth. Top management perception, social influence, facilitating conditions and the ease of use were considered as the main variables to develop the conceptual framework. Study was conducted based on quantitative approach and primary data were collected through questionnaires from 150 SMEs in Anuradhapura. The collected data were analyzed using descriptive and inferential statistics. The study concludes that the main variables have a positive association towards the adoption of social media marketing. 85.3% of the SMEs have social media accounts but only 30% used their account in the marketing purposes. All variables were considered as reliable and all hypothesis were accepted according to the results analysis. Researcher identified that the enhancement of social media marketing but it needed more awareness and positive enforcement from the SMEs. In addition, improvement of knowledge and facilitating conditions towards online facilities are needed in this regard. And also it is suggested that SMEs should consider SMM as a supporting medium for their main stream marketing communication and as a marketing tool for the better returns and to be proactive in order to identify the blue ocean in SMM for cost reduction while achieving the enterprise's marketing goals and objectives through online platforms.

**Keywords:** *Small and medium scale enterprises, social influence, social media marketing, top management perception.*



# **Impact of computerized accounting information systems on the financial performance of construction organizations in Sri Lanka**

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## **Abstract**

Accounting information plays an important role in a business organization's decision-making process. Since the quality and faster access to accounting information will improve financial performance, the idea of computerized accounting information systems has become a buzzword in this age of global technological advancement. However, when it comes to business enterprises in the construction industry in Sri Lanka, there is a dearth of integration of accounting processes with computerized information systems. Thus, this study aims to examine whether the use of computerized accounting information systems increases the financial performance of construction companies in Sri Lanka. The population of this study was construction companies which use computerized accounting information systems and a sample of 25 construction organizations was selected among them by applying a convenient sampling method. The data was collected through an online self-administered questionnaire distributed among administrative and financial directors, heads of finance departments, IT officers and accountants. Computerized accounting information systems with aspect of access to accounting information, improved decision making, performance evaluation, and quality of accounting information was considered as the independent variables in the study while considering the financial performance as the dependent variable. Descriptive statistics, correlation analysis and regression analysis were applied in the analysis. The results of the correlation analysis and regression analysis showed a significant and positive impact of all the aspect of the independent variables on the dependent variable. Therefore, the findings imply that the use of computerized accounting information systems can increase the construction companies' financial performance.

**Keywords:** *Access to accounting information, improved decision making, performance evaluation, quality of accounting information.*

# **Information and Communication Technology adoption, social isolation and its impact on employees' mental health**

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## **Abstract**

ICT has made a great impact in contributing to the organization improvement that enables a business to become more efficient. Besides, employees turned to ICTs to do their duty in the organization. Sometimes that brings significant consequence to employees' mental health. This study aims to examine how ICT adoption affects perceived social isolation of employees and employees' mental health within the organization. According to previous empirical literature source, people who had been using ICT were faced to social isolation and the social isolation impacts on mental health. This study is explanatory and deductive research. Further quantitative method is used. To test the impact of ICT adoption, social isolation, and mental health, a convenient sampling included 100 people were selected from Global Solution System organization and the researchers have used the questionnaire by using Google form to gathering data. Independent Sample t-test, ANOVA, Correlation, and Regression Analysis were employed by using SPSS version 21 to verify the model. Based on this result it was proven in this research that the tested attributes; two dimensions of social isolation impact on employees' mental health such as perceived social isolation positively, strongly impacts on employees' mental health as well as social disconnection positively impacts on employees' mental health. There are three dimensions of ICT adoption mentioned in the research and the dimension of intensity usage of ICT positively impact on social isolation among them. ICT adoption has no impact on employees' mental health. But intensity usage of ICT has an impact on employees' mental health by social isolation. Finally, the authors found that ICT adoption and social isolation influenced the negative aspect of the mental health of employees. Therefore, the research found out the employees were socially isolated due to ICT over usage and its impact on employees' negative aspect of mental health.

***Keywords:*** *ICT adoption, mental health, social isolation*

# Machine Learning approach in stock market price prediction: A case of Colombo Stock Exchange

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## Abstract

Trading in the stock market has become one of the most popular and profitable investment decisions for investors. In stark contrast to the past, stock pricing today has become a more complex task. The profitability of the stock market investment depends on the investor's decisions and is based on a mix of dynamic environmental factors. The success of any investment decision is a reflection of efficient decision-making, historical data and financial statements analysis, knowledge on stock market and technical experience. Stock price trends are repeatedly forecasted to extract useful patterns and predict their movements. There are various approaches to stock price forecasting and as a replica of many scientific endeavors, several methods have been found to precisely predict stock prices. Most researchers have been applied machine learning techniques to get more accurate results. However, from Sri Lanka's perspective, there is no evidence on predicting stock prices using machine learning, specially the application of technical analysis. The main objective of this research is to examine the capability of predicting stock prices using machine learning techniques in the Sri Lankan context and fill the gaps in the literature. The population of the current study is all listed companies in the Colombo Stock Exchange. Among them, three listed companies which belong to capital goods, food, beverage & tobacco, and telecommunication services sectors were selected as the sample for this study by employing a mixed sampling method. Weka, a software developed by the University of Waikato, was used as the data mining tool to analyze the behavior of stock price fluctuation and each company were experimented with a thousand records which represent transactions over the past five years. The analysis was performed using five different classifiers and the results were evaluated using the mean absolute error, root mean error, relative absolute error, and root-relative square error. When models were evaluated using 10-fold cross-validation, Sequential Minimum Optimization regression has yielded more accurate results and all selected companies have presented accuracies higher than 85%. The findings of this study facilitate to predict the share price with higher accuracies and proposed model would benefit all individual investors in the local stock market.

**Keywords:** *Machine learning, sequential minimum optimization, stock price prediction.*

# Success factors of internet payment systems influence on online user's perception

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## **Abstract**

In the present situation, Sri Lanka is considered a developing country with major development and economically vital projects are being carried out. However, for fast development, the online money transfer mechanism of Sri Lanka is not up to date according to world's accepted standards. The main reason is the unavailability of online payment facility such as PayPal facility in Sri Lanka. The facility available is credit cards based online payment where it is considered to be an expensive and less safe option. This situation hinders Sri Lanka to reach out to the world and earn foreign currency. With the assessment of money and globalization the industry was taking prominent stage and currently online money transfer facilities have been an indispensable facility needed to all who engage in trade. The key objective of this study was to investigate the success factors of internet payment systems affected to online user's perception in selected area. This study, considered the Ease of use, Anonymity, Finance Cost and Confirmation as Independent variables under the construct of success factors of internet payment systems and online user perception as the dependent variable. The population of the study was Sri Lankan internet users who already has world-wide service experience. Sample size of this study was 150 internet users who live in Colombo district and stratified sampling method was employed. Online questionnaire survey was conducted to gather the data and were analysed through SPSS software version 21. The study employed statistical tests, correlation and regression to analyse the data. The findings of the study indicated Ease of use, Anonymity, Finance Cost and Confirmation are positively affecting on online user perception in Colombo district.

**Keywords:** *Internet payment systems, online user perception, success factors*

# **The impact of big-five personality traits on self-disclosure behavior on social network sites users**

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## **Abstract**

As the result of information through Social Network Sites which are needed to lock inside the diary, most of the crisis have emerged and the content that they have shared, uploaded and tagged have changed according to the persons' personality type. As a quantitative study complemented by explanatory research design, this study intended to identify the impact of big five personality traits on self-disclosure behavior through investigating data collected from 235 Social Networking Sites used by snowball sampling techniques, employing a self-designed questionnaire and observation method. As per the result of the study revealed that there is significant impact between the individual's personality traits on self-disclosure behavior on Social Networking Sites while Individuals who are with higher in conscientiousness, openness to experience, extraversion and agreeableness propensity to positively and individuals who are higher in neuroticism are negatively correlated with self-disclosure behavior. Further, results highlighted that people with conscientiousness traits is shared and uploaded messages that is not harmful to others, openness to experience people represented lower intention to reveal their information on public because they feel it may cause damage to their image and post higher in political and religious view and extraverted people uploaded more things. Persons who are with agreeableness traits do not try to hurt others' feelings through their posts. Corresponding with the research findings it was recommended that the Social Networking Sites owners can create a framework to generate some restrictions to the persons who have bad personality with bad self-disclosure behavior on the Social Networking Sites and users should be careful with the wall post when they disclose something on the wall and add new friends.

**Keywords:** *Personality traits, self-disclosure behavior, social networks*

# **Marketing and Supply Chain Management**

## **A comparative study, service quality of state and private sector banks in Puttalam district**

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### **Abstract**

The effectiveness and efficiency became the buzz word of the success of banking operations and its proper functioning particularly with respect to providing service to the customers. The concepts of customer satisfaction and service quality are interrelated with each other. Moreover, satisfaction of customer depends upon service quality and it is increasingly offered as a strategy by marketers to position themselves more effectively in the market place. The higher service quality results in customers' satisfaction and loyalty, greater willingness to recommend to someone else, reduction in complaints and improved customer retention rates. Hence, this comparative study is focused on customers' satisfaction and service quality of state and private sector banks in Puttalam district. The study revolves around the service quality and its dimensions of Tangibility, Reliability, Responsiveness, Assurance and Empathy. A total of 250 respondents have been selected for the study using random sampling and is equally divided to state and private sector bank customers and data were collected through a standard questionnaire. The analysis complied with descriptive, correlation and regression while using SPSS. The study revealed that the service quality of state sector banks has an obligation to concentrate on responding the customer's queries on the spot. In respect to service quality dimensions, the private sector banks need to concentrate on convenient working hours and competency of the staffs to answer the queries of bank customers. The study implies that state sector banks should also come forward and try their best to provide better quality service to win back their customers.

**Keywords:** *Service quality, state and private banking sector*

## **Characteristics of brand posts and popularity of brand posts: A study on Sri Lankan Facebook brand fan pages**

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### **Abstract**

This study is designed to investigate the Characteristics of Brand posts and their impacts on popularity of brand posts among Sri Lankan Facebook Brand Fan Pages. Vital marketing platform is Facebook Brand Fan Pages in the modern tech savvy world. Many businesses are designing their own Facebook Brand Fan Pages in order to address large customer base within short period under low cost. Objectives of designing Facebook Brand Fan Pages are to promote their products and communicate with customers. Brand posts have to be designed attractively in specific way to attract to get more visits to their posts. Posts are necessitated to be more attractive than their competitions. When businesses designing posts, that posts concern about many characteristics. Therefore, this study intends to identify the impact of certain characteristics of brand post on the popularity of particular posts with special reference to Sri Lankan Facebook Brand Fan Pages with the samples of 250 Brand posts of top ten Facebook business brand pages in Sri Lanka using the data representing from last quarter of 2019. Dialog Axiata, ODEL, Ikman.lk, Seylan Bank, Sri Lankan Airlines, Kelly Fellder, DIMO, Abans, Nils Store, Pizza hut Sri Lanka were top ten brand fan pages under Social baker's statistics during the time of study. Vividness, Interactivity, Information content, valence of comments, and position are used to measure post characteristics. Number of Likes and Number of Comments are the measures of post popularity. Descriptive analysis, correlation analysis and regression analysis are used to test study hypothesis by using SPSS software. Characteristics of brand posts have 5.78% and 4.85% impact on Number of Likes and number of comments respectively. The study concludes that vividness, information contents and valence of comments have significant positive impact on number of likes and also the interactivity and information have significant positive impact on number of comments. Study suggests that vividness, information contents and valence of comments are import factors to be considered when designing their posts in order to increase popularity of their brand posts.

**Keywords:** *Brand post, popularity, number of likes, number of comments*



# **Factors influencing on consumers' attitudes towards counterfeits products: With special reference to cloth and footwear counterfeit luxury products in Sri Lanka**

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## **Abstract**

Luxury brands are highly expensive and less available. Therefore, consumers who are unable to consume branded luxury products tend to consume fake or counterfeit products of identified branded luxury products because of its lower price and wide availability. Counterfeit production is rapidly growing worldwide. Counterfeit goods constitute one of the biggest threats to the global fashion industry, stealing sales and diluting hard fought brand reputations. Having an understanding of the attitude is important as it directly impacts consumer behavior, and also counterfeit demand is mainly based on consumers' attitudes. The objective of this study is to investigate factors influencing on consumers' attitudes towards counterfeit luxury products with special reference to cloth and footwear products in Sri Lanka by using five personality factors; Personal Gratification, Integrity, Novelty Seeking, Value Consciousness and Status Consumption. Quantitative research approach and explanatory research design were selected to achieve research objectives. A conceptual framework is developed based on the theory of planned behavior and previous studies. By the same time, the research involves the use of structured questions where the response options have been predetermined, and also regression, correlation analysis were used, and through that hypothesis were investigated. A survey of 368 respondents was conducted in the Sri Lankan market via a structured questionnaire. According to the results obtained by regression analysis, it is clear that Status Consumption and Integrity negatively impact on Attitude towards Counterfeits. Personal Gratification and Value Consciousness positively impact on attitude towards counterfeits. By having a better understanding of the attitude towards counterfeit products, the manufacturers and marketers of the genuine brand products can make better marketing strategies to entice the consumer to buy the original product and not the counterfeit version as well as this study helpful for governments to formulate rules and regulations to prevent demand side of the counterfeits. The theoretical contribution of this study is an extension of knowledge of factors influencing attitude towards counterfeit based on the theory of planned behavior.

**Keywords:** *Attitudes, counterfeits, luxury products, personality factors*

## **Factors influencing on e-WOM engagement on consumer purchase intention in clothing retailers in Sri Lanka**

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### **Abstract**

The purpose of this research is to identify the factors influencing on the electronic word of mouth engagement towards consumer purchase intention over clothing retailers in Sri Lanka. According to the past researches; homophily and trustworthiness have been identified as main variables that determine e-WOM engagement. Hence, this study focused on identifying the impact of these variables in Sri Lankan context. The objectives of this study are to investigate the impact of homophily and trustworthiness towards the e-WOM engagement and to determine the impact of e-WOM engagement on consumer purchase intention. The theoretical background designed by using the Elaboration Likelihood Model (ELM), theory of reasoned action and social support to explore the impact of e-WOM engagement in relation to the consumer purchase intention. The data were collected by using convenient sampling technique through a questionnaire among 384 target respondents who are at the age in between 18-50 with the increased usage of Facebook, Instagram, and WhatsApp. Correlation and regression have been tested and it revealed that trustworthiness and homophily have a positive impact towards the e-WOM engagement. The other variable revealed that there is a positive impact towards e-WOM engagement and purchase intention. Moreover, these results highlighted that the factor homophily is important to consider as many people got attraction to something has another person in same gender and age. So, it would be useful for retailers to focus on these factors when selling clothing items to the market. And also, trustworthiness is important to consider by retailers' side while selling product to the consumers should be accurate and accessible. These findings shed light on unstudied area in relation to e-WOM in clothing retailer marketing with respect to the Sri Lankan context. Hence, it will be useful for them to improve online presence by developing the e-WOM as a tool in order to attract more consumer.

**Keywords:** *E-WOM engagement, clothing retailers, homophily, purchase intention, trustworthiness*

# **Factors influencing to the life insurance policy surrenders in Sri Lanka: With special reference to AIA Insurance Lanka PLC**

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## **Abstract**

A Surrender is a full cancellation of a life insurance policy, and it occurs when the policyholder no longer wishes to continue his or her insurance plan and decides to terminate the policy before the maturity. The policyholder receives a build-up amount called cash value when the contract is surrendered. A surrender may occur due to the results of the financial reasons and changes in policyholder's needs. Policy surrender is a major burden to any insurance company. If all customers exit before the date of maturity, the pool of life funds dramatically declines. Hence the insurance companies face challenges to stable financially, difficult to manage claims ratio and retaining profit margin. Failure of retaining insurance policy will be an attraction of other competitors. Hence, the main objective of this study is to identify the factors that influence the life policy surrenders in AIA Insurance Company. Four factors were identified as impacting on surrender activity as product switching, interest rates, urgent financial needs and unemployment. The random sampling method was used for the selection of the 80 customers who visited the AIA head office per month for requesting surrender proceeds among the population of 750 customers. Data were collected via personal interviews and structured questionnaire and descriptive statistics and inferential statistics were used to analyse the data. According to the findings of the study, product switching, interest rates, urgent financial needs and unemployment have a positive influence on surrender activity in AIA Insurance Lanka PLC. Based on these findings, the researcher recommends to open surrender management unit, to change regulations, to introduce short paying term policies and to improve the publicity on rewards to mitigate surrenders. Future research should consider a larger sample than in present study, analyze the demographic factors and look at policy buying behaviour of insurance customers with surrender behaviour.

***Keywords:*** *Life insurance policy, maturity, policy surrender*

# **Identifying the gaps in facility design with special preference to spectators between international cricket stadiums in Sri Lanka and Australia.**

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## **Abstract**

A specially designed space where sporting events are held can be recognized as a sports facility. The sports facilities available in Sri Lanka for cricket are higher in number compared to facilities available for other sports. Although there are International Cricket Council (ICC) approved cricket stadiums in Sri Lanka, none of them are recognized at international award ceremonies. On the other hand, cricket facilities in Australia like Optus Stadium has over 30 awards in just over one and half years of operations. This implies possible gaps between International cricket stadiums in Sri Lanka and Australia. Currently, facility designing is a blend of sustainable strategies, with the innovative architectural design which leads to fulfilling current requirements of stakeholders. Therefore, this study is delineated to identify the possible gaps in facility design in accordance with the permitted standards between International cricket stadiums of Sri Lanka and Australia. The study was conducted as a qualitative research study with the primary data that was collected through interviews and observations. Photo-elicitation was the data analysis technique used. The sample of the study consist of two International cricket stadiums; Optus Stadium in Western Australia and R. Premadasa Cricket Stadium in Sri Lanka. In total, seven managerial level interviewees took part in the study. Data analysis revealed that the design of Optus Stadium was a Seating Ball which means 360 degrees of the stadium is covered with tiers and this retains the atmosphere within the stadium. The results were derived through synthesisation and it was that optimum space utilisation can be and have been achieved through the seating ball design. There are disturbances to the view from certain seats at R. Premadasa Cricket Stadium, due to its design. This leads to unsatisfied spectators as they are not getting the value for the money spent. The washroom facilities at R. Premadasa Cricket Stadium are comparatively lower in both quantity and quality as opposed to the Optus Stadium. According to the findings it synthesised that Optus Stadium have given more emphasis to seating tier design, space utilisation and washroom facilities. This reflects a gap between facility design of International cricket stadiums in Sri Lanka and Australia.

**Keywords:** *Facility design, international cricket council, cricket stadium, spectators.*

# **Impact of consumer ethnocentrism on purchase intention of clothes among Sri Lankan youngsters**

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## **Abstract**

Ethnocentrism is a widely used word in circles where ethnicity, inter-ethnic relations and related social issues are concern. Many global marketers treat consumer ethnocentrism as an essential factor which influences on consumer purchase decisions. Since termination of these civil war situations consumers' purchase intention did also seem to change. Objective of the study is to identify the impact of consumer ethnocentrism on Sri Lankan youngsters' purchase intention of clothes. Ethnocentrism was empirically distinct from out-group negativity and mere in-group positivity. In-group preference, superiority, purity, and implicativeness are measures and attitudes regarding consumer ethnocentrism. A survey was employed to collect data using a structured questionnaire from 100 youngsters following convenience sampling. The hypotheses have been tested by using linear regression and chi-square. Results suggest that the impact between consumer ethnocentrism and Sri Lankan youngsters' purchase intention of clothes is positive. Superiority and purity show a significant impact on the consumer ethnocentrism and Sri Lankan youngsters' purchase intention of clothes. However, preference and implicativeness have negative impact on consumer ethnocentrism and purchasing intention of clothes. This study provides valuable insights to cloth retailers to boost their industry. The application of Consumer ethnocentrism with the right attributes will be able to identify clear market segments. Cloth retailers will be able to promote their brands based on ethnocentric appeal.

**Keywords:** *Consumer ethnocentrism, preference, purity, purchasing intention, superiority.*

# **Impact of guerrilla marketing in social media on brand image: Evidence from the cosmetics industry in Sri Lanka.**

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## **Abstract**

Guerrilla marketing is not a new concept and has originated from the idea of guerrilla warfare. According to that, guerrilla marketing means the unconventional marketing tactics which allow marketers to grab the attraction of the customers by surprise and within a small marketing budget. As the development of technology and the advent of social media navigates, the guerrilla marketing turned into a new direction since it allows marketers to reach many people through the internet. This study is an empirical investigation on the influence of guerrilla marketing in social media on brand image with evidences from the cosmetics industry in Sri Lanka. Based on this primary objective, there are two specific objectives were identified; identifying the impact of guerrilla marketing in social media on functional brand image and identifying the impact of guerrilla marketing in social media on symbolic brand image. Consequently, guerrilla marketing in social media is the independent variable and functional brand image and symbolic brand image are the two dependent variables of the study. The constructs were measured by using fifteen-items validated scale for consumer perception of guerrilla marketing in social media with three dimensions as extraordinary, interesting and surprising, and communication. Further validated three-items and four-items scales used for functional brand image and symbolic brand image respectively. Data were collected using online questionnaire from 237 respondents aged between 15-29 years old. The data were analysed using structural equation modelling under the partial least squares (PLS) technique in SmartPLS software. The results confirm that, guerrilla marketing in social media has a strong positive effect on both functional and symbolic brand image with 0.8 and 0.808 path coefficient values respectively. This study fills the gap of applying guerrilla marketing in social media in cosmetic industry in Sri Lanka and provides empirical evidence regarding this area for future research. Sri Lankan marketers may make use of the results to develop effective marketing strategies in social media to have the attraction of the customers.

**Keywords:** *Functional brand image, guerrilla marketing, social media, symbolic brand image*

# **Impact of social media marketing on customer engagement with special reference to cosmetic industry in Central Province**

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## **Abstract**

The aim of this research is to identify the impact of social media marketing on customer engagement with special reference to the cosmetic industry in the central province. The main objective of the study is to investigate the factors that are affecting social media marketing on customer engagement. To analyze a literature review on social media marketing and its impact on customer engagement, with use of primary & secondary research tools such as questionnaires, articles, websites & online books. For collecting quantitative as well as qualitative data, the researcher will use questionnaires with 150 people from Kandy, Mathale & Nuwara-Eliya. The researcher will use social media such as Facebook, YouTube, Instagram and Google, to analyze the impact of social media marketing on powders, soaps, deodorants, shampoos, body care, makeup, and shaving. The findings of the study reveal the social planning, social influence, social attitudes, social community and social results that have a significant impact on customer engagement.

**Keywords:** *Social media, social media marketing, customer engagement*

# Measuring customer-based brand equity: Empirical evidence from the Sri Lanka sportswear market

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## **Abstract**

In today's dynamic business environment, branding has become a competitive tool for all levels of enterprises from the micro level to the multi-national level. Accordingly, Sportswear is also a highly brand oriented and competitive industry all over the world. The purpose of this study is to measure customer-based brand equity of Sri Lankan sportswear market. Firms are confused often when they develop their marketing strategies, and plans since they are unable to identify which factors are affecting the brand equity. Therefore, this study mainly investigated the sources which affect brand equity. A rigorous literature review is carried out and based on the empirical studies, brand awareness, brand association, perceived quality, and brand loyalty are identified as the major determinants of brand equity in this cross-sectional study. The study sample consists of young and middle age customers who represent a majority of the sportswear customer base. Adopting the survey strategy, convenience sampling technique and a questionnaire developed based on empirical studies in brand equity domain were used to collect data from 134 respondents. After assessing the reliability and normality of collected data, four hypotheses were established and tested Spearman's correlation coefficient to examine the relationships between four independent variables and the dependent variable using SPSS. Study results indicated strong positive correlations between brand loyalty, brand association and brand equity while brand awareness and perceived quality indicated moderate level positive correlations with brand equity. Based on the findings, it is recommended to consider the ways of developing brand loyalty and brand association such as use of elite athletes' appearances and loyalty schemes when firms develop their marketing programs to enable firms to increase their new customer attraction and retention competitively.

**Keywords:** *Brand association, brand awareness, brand equity, brand loyalty, perceived quality.*



# **Tourism, Hospitality and Event Management**

# **An analysis of homestay concept of Sri Lanka and its' impacts: With special reference to Meemure village**

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## **Abstract**

Homestay concept is becoming one of the most popular accommodation types in Sri Lanka among tourists. It's important to identify the impacts of homestay concept as its beneficiating for the upliftment of the local tourism industry. Meemure is a rural remote agricultural village and located near the border between Kandy district and Matale district in Knuckles mountain range. Tourists can get a feel of the life in a typical village in addition to trekking sight-seeing and a culinary experience in true Sri Lankan style. The objectives of this research were to identify both positive and negative impacts and giving recommendations to promote homestay concept furthermore. To achieve this motive, the researchers explored randomly a sample of 10 local people in Meemure. The survey was conducted as an exploratory study highlighting. The study was based on both primary and secondary data including observations, interviews, structured questionnaire, books, magazines, tour itineraries etc. The general perception of the villagers towards the homestay concept is favorable. Job opportunities, Human resource development, women empowerment, improving the quality of life, preserving their cultural and natural assets, generating income specially for the youth of the village can be identified as benefits of the homestay concept of Meemure. When comparing with the benefits of the homestay concept in Meemure, the negative impacts are less such like unethical behavior and diversified life patterns of guests will directly affect to the practices of local community. Establishing an information center, conducting awareness programmes, more safety equipment for adventure activities, proper tour itinerary plan, host community need to be educated about their potentials, regular updating websites, introducing new activities, regular monitoring and feedback can be addressed as suggestions to improve the home concept of Meemure. Therefore, this homestay concept is a strong need of the tourism industry while facing the challenges with a positive result.

**Keywords:** *Homestay tourism, impacts of tourism, Sri Lanka tourism*

## **An empirical study on food and beverage service quality and customer satisfaction in star graded hotels in Dambulla**

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### **Abstract**

The hotel industry is one of the integral constituents in flourishing tourism industry and is extremely competitive. In this competitive arena, service quality has become a crucial success factor in maintaining hotel standards. However, due to the intangible nature of service industry, measuring service quality is substantially challengeable than measuring the quality of physical products. Hence, this study attempts to investigate the impact of food and beverage service quality on the customer satisfaction in the star graded hotels in Dambulla. Dambulla as one of the major tourism destinations in Sri Lanka, has been identified as the study area. A sample of 150 foreign tourists who have visited the star graded hotels located in the respective area have selected through convenient sampling technique for this study. Widely accepted SERVQUAL model utilized to ascertain the findings. Primary data collected through a self-administered structured questionnaire. Descriptive, frequency, Pearson correlation and multiple regression analysis were conducted to analyse data using SPSS. The results reveal that there is a positive significant impact of tangibility, reliability, responsiveness, assurance of food and beverage service quality on the customer satisfaction in the star graded hotels in Dambulla area. On the contrary, the empathy shows that there is no direct impact towards the customer satisfaction. Moreover, the tangibility is the most influential service quality attribute that effect on customer satisfaction. The study recommended that the authorities must pay their attention towards improving the tangible evidences such as staff attires and appearance, aesthetic upkeep of interior and exterior, and provide reliable service for their guests with greater customer care.

**Keywords:** *Customer satisfaction, food and beverage service, service quality, star graded hotels*

## **An investigation of influencing factors on satisfaction and revisit intention of foreign travelers to Mihintale heritage site**

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### **Abstract**

Heritage tourism has been one of the dominant forms of tourism since the early stages of tourism history. Sri Lanka is known as one of the major heritage tourism destinations in the region. Thus, it is playing a vital role in Sri Lanka tourism and the current situation of country's heritage tourism can be further developed as there are many aspects to be considered and improved with regard to this particular form of tourism. In this effort, the visitor-oriented approach is needed to ensure the meeting of travellers' expectations. Knowing of travellers' intentions, expectations, and level of satisfaction with regard to a given heritage site is utmost important in the formulating and implementing of strategies in the process of development of a tourism site. Given all that, the main objective of this study was to identify the forces behind satisfaction and revisit intention of foreign travellers visiting Mihintale, one of the prominent heritage destinations in Sri Lanka. Site uniqueness, heritage attributes, facilities and services, gaining knowledge, site attractions were identified as factors of satisfaction and revisit intentions as dependent variable. Grounding on the post-positivism, a quantitative approach was selected. Data was collected using a structured questionnaire by personally approaching the foreign visitors at the Mihintale heritage site from February to March 2020 and a total of completed 100 questionnaires were used in the analysis. Descriptive statistics, correlation statistics, and regression statistics were calculated using SPSS software. The results suggest that heritage attributes and facilities and services have significant positive influences on travellers' satisfaction whereas site uniqueness has a significant positive influence on revisit intention. Theoretically, the variables used in this research and their interrelationships provide new implications in the particular field of research and, when considering the managerial and policy implications, managers and policy making bodies need to give the due attention on-site uniqueness, heritage attributes, and facilities and services in providing a good experience to the visitors.

**Keywords:** *Heritage characteristics, heritage tourism, revisit intention, satisfaction*

# Backpackers' travel motivations and revisit intention to Sri Lanka

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## Abstract

Backpacker Tourism is now becoming Sri Lanka's fastest growing sector which young and budget-minded tourists who travel to Sri Lanka and focus on meeting other cultures, organize independent and flexible itineraries, stay longer with focus on informal and participatory recreational activities. Backpacker tourism significantly contributes to spending largely on locally produced goods and services, and lodging facilities run by local communities by providing direct economic benefits to the host populations. Hence, relatively few studies have addressed the relationship between travel motivation and backpackers' revisit intention to Sri Lanka. The purpose of this study was to investigate the direct influence of travel motivation factors; novelty seeking, culture, adventure and relaxation on backpackers' intention to revisit Sri Lanka. A survey design which was quantitative in nature was based on an empirical study. A self-administered questionnaire was used to collect data from the backpackers. The sample of 150 respondents was selected using a convenience sampling method, from Kandy, Dambulla and Anuradhapura between January and April 2020. The data were analyzed using SPSS 21 statistical software. Descriptive statistics and inferential statistics applied to examine the backpackers travel motivation factors and their effect on revisit intention to the destination. Findings of the study revealed that novelty seeking, culture, adventure, relaxation and destination attraction have a significant positive relationship with backpackers' intention to revisit. And the findings also indicate that social contact has positively but not significantly influenced on backpacker's revisit intention. Further, this study provides valuable insight into the roots of the travel motivations of all backpackers and it demonstrates how some of the conventionally understood motivations of backpackers are dynamic during their travel careers.

**Keywords:** *Backpacker tourist, re-visit intention, Sri Lanka tourism, travel motivation factors*

## **Career perception of tourism and hospitality undergraduates**

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### **Abstract**

An increasing predisposition and persuasion can be seen among students, to join tourism and hospitality courses offered by the state universities. If today's undergraduates are to become the professional practitioners of the industry tomorrow, it is vital to understand their perception of tourism and hospitality employment. Numerous factors influence the career perception of tourism and hospitality undergraduates. Thus, this study aimed to investigate whether the parents, gender, university, peers and internship influence on career perception of tourism and hospitality undergraduates. A survey design which was quantitative in nature was used in this empirical study. A self-administered questionnaire was used to collect data from the participants. The sample of 60 respondents for this research selected using a convenience sampling method. Descriptive statistics, Pearson correlation analysis and regression analysis were used to analyze the data with the support of SPSS. The study revealed that parents, peers and internship have a significant influence on career perception of tourism and hospitality undergraduates. However, the influences of gender and university were insignificant. The study recommends an awareness program for parents on tourism and hospitality industry and its careers, developing the university career guidance program, training of peers and providing better internship conditions to inculcate the positive career perception among undergraduates.

**Keywords:** *Career perception, tourism and hospitality industry, tourism and hospitality undergraduates*

## **Community perspective of rural tourism: A thematic analysis**

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### **Abstract**

Rural tourism is one of the fast-growing forms of tourism today. It gives the traveler a unique experience on different cultures and different life patterns which are blended with natural environments. The community involvement is one of the key aspects in successful implementation of this kind of tourism. Hence, understanding the perceptions of local community on the rural tourism is utmost important in planning a successful rural tourism destination. Given that, the aim of this research was to develop a set of concepts on the views and attitudes of local community towards participating in the rural tourism which can eventually benefit not only the host community but also all other stakeholders in rural tourism field. Heeloya village in Knuckles Mountain range in Sri Lanka was selected for the study. Based on constructivism stance of the research, a qualitative approach was adopted in the inquiry. A total of twenty semi-structured interviews were conducted with the villagers and data was analyzed manually adopting thematic analysis techniques. According to the results, the community reflects their perceptions towards rural tourism as a collection of different aspects such as trust, awareness of tourism, attitudes of tourism, preservation, benefits of tourism, and sharing. Furthermore, awareness and the attitudes were found to be highly associated with the effective participation of community in the rural tourism. Sharing and preservations of the natural resources and culture were the prominent reasons to the community to continuously taking part in the tourism related activities. These contextual concepts can be considered as key areas in developing rural tourism in Sri Lankan context in the areas of policy making and managerial decision-making. Moreover, the themes discovered through this particular study can definitely advance the existing body of knowledge in the respective area and the rural tourism practitioners can gain many insights from the findings of the research for the use of their business strategy formulation and implementation.

***Keywords:*** *Rural tourism, local community participation, local community engagement in tourism*

# **Constraints for women career development in hotel industry in Sri Lanka**

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## **Abstract**

In recent decades the work force composition has been dramatically changed. Though workforce consists with both male and female employees, there is a dissimilarity between men and women participation in the labor market in terms of access to divers economic opportunities. Although women are important to economic growth for any country, there are number of barriers that hinders them from reaching their full potential. Hotel industry being one of the largest contributor in economic development, presents an extensive range of income generating career prospects for women both formally and informally while providing ample number of opportunities for women's participation in the workforce, women's entrepreneurship, and women's leadership than any other sector in the economy. However, there is a high inequality in women's empowerment and career advancements in the hotel industry especially in the developing countries like Sri Lanka. In recent years, the increased number of women in the hotel industry and their under representation in top management positions has made women's status in the industry a great concern. Hence, this study aims at investigating the constraints that obstructs women employees from their career progress in hotel industry. The whole population of 103 women employees, work in standard hotels in Jaffna were taken as the respondents. A self-administered structured questionnaire was employed to gather data. Both descriptive and inferential statistics were used in analyzing data using SPSS statistical software. The major findings were drawn through a factor analysis. The findings disclose seven key constraints; negative training factor and work family conflict, women marital factors, cultural barriers, gender inequality barriers, work place support and security barriers, organizational barriers and negative family motivation, and staff conflict factors. Hence, providing adequate training facilities, motivational programs and mentoring, introducing nondiscriminatory payment, training and promotional policies, and creating a conducive working environment giving due emphasis for the safety aspect could be recommended to overcome these constraints.

**Keywords:** *Career development, hotel industry, women employees*



## **Easter attack and its impact on the financial performance of the tourism and hospitality industry in Sri Lanka**

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### **Abstract**

Tourism and hospitality industry is one of the crucial sectors in the developing economies. Tourism brings benefits to the country's economy by reducing unemployment, creating new economy base and increasing tax revenue where as hospitality industry produces revenue for the local economy. Due to information technology and communication modes terrorism challenges the tourism by gaining benefits from those developments. Presently the fear of terrorism is increasing day by day. The present paper evaluates the impact of an unforeseen event of Easter Attacks 2019 on the financial performance of Sri Lankan Tourism and hospitality industry. This paper aims at measuring the effect of terrorism on the Hotels listed under hotels and travels sector in Colombo Stock Exchange (CSE) also, on Small hotels in Hikkaduwa. Further this study discusses the strategies used by the small hotels to overcome terrorist attacks that they faced. This study helps to distinguish the direct and indirect consequences on the performance variables due to Easter attacks. Quarterly based company financials were used to analyze the ratios for 36 listed companies from March to December of 2018 and 2019. The key ratios such as profitability, liquidity, solvency and return on investments ratios are evaluated. To measure the impact before and after the Easter attacks analyses paired T-test is used. Further this study observed the impact on small hotels with the sample of ten; snowball sampling method was employed and deploys pattern matching for analyzing data collected through interviews. It reveals in both listed hotels and small hotels that there is a reduction in the tourists' arrivals and cancellation of bookings led to a decrease in revenue and an increase in borrowings has made an increase in interest component. Moreover, small hotels have used some strategies as a remedy for the Easter attacks. This study found that the decrease in performance variables denotes there is an adverse impact on the financial performance of tourism sector due to the Easter attacks.

**Keywords:** *Easter attack, financial performance, tourism and hospitality industry*

## **How quality attributes of restaurants trigger the post dining behavioural intention of customers**

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### **Abstract**

Recent social, cultural, demographic, and economic changes in Sri Lanka have created a new trend among people towards patronizing restaurants in urban areas. The trend, on the other hand, brings about changes in the restaurant businesses where already operating in a highly competitive environment, will be facing an overwhelming competition to attract new customers while retaining the existing customer base. This study was designed to shed light on the effects of quality attributes of restaurants on post dining behavioral intention of customers. Despite the importance of food quality, relatively a little is known about how other attributes such as atmosphere, service quality, other customers and perceived value elicit customer satisfaction, in turn, affects post dining behavioral intention of customers. In addition, this study also delves into which quality attribute of restaurants is highly influential in determining post dining behavioral intention of customers. Self-administered questionnaire was distributed among 130 customers reside in Colombo District since the highest numbers of registered restaurants with the most urbanized residents in Sri Lanka can be identified in the same district. The results of regression analysis revealed that developed model explains the 62.3 percent of variance in post dining behavioral intention. The findings indicated that among five factors, service quality and food quality appeared to be the strongest predictors in customer behavioral intention and interestingly, the customer post dining behavioral intention was least influenced by the other customers. The restaurateurs can utilize these findings for enhancing the positive post dining behavioral intention of their customers. Thus, the researchers recommend the restaurant managers to reasonably allocate their limited resources to enhance both food quality and the service quality to stimulate the positive post dining behavioral intention of the customers.

**Keywords:** *Customers, food quality, post dining behavioral intention, restaurants, service quality*

# **Identification and analysis of factors affecting in choosing a heritage site by international tourists with special reference to Sigiriya in Sri Lanka**

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## **Abstract**

Tourism is considering as one of the best industries which maximizes the economic and social benefits in Sri Lanka. This study aims to identify the factors that affect tourist destination choice. According to the statistics, international tourist arrivals to Sigiriya has been drastically decreased and tourists' choice behavior in choosing a heritage site has not been investigated systematically yet. Existing literature in destination choice of travelers has articulated five major factors as Destination Attractiveness, Destination Security, Amenities, Accessibility and Accommodation. Researcher considered Destination Choice as the dependent variable. This study was conducted based on a quantitative approach and primary data was collected through 150 international tourists who visited Sigiriya in Sri Lanka. As per the demographic factor analysis, majority of visitors (84%) from Europe region and remain 16% were from Asia-Pacific. Most of the visitors are between 30 to 39 years of ages, while 54 visitors (36.0 %) and 51 visitors (34.0 %) were at the age group between 20 to 29 years of ages. The collected data was analyzed using Statistical Package for the Social Sciences (SPSS) and presented using mean, frequencies, standard deviation, regression and correlations. Considering the Pearson Correlation Coefficient, the four hypotheses have a significant positive relationship and these hypotheses were accepted. The researcher has concluded factors for enhancing tourist attraction as transportation facilities, sanitary and accommodations. It should take preventive actions to safe tourist life from uncertainty situations for ensuring the security. In the season period, tourists are waiting for a long time to get the entrance tickets from the counters. Then the researcher suggests improving counter and surrounding facilities to establish a convenient environment with attraction.

**Keywords:** *Accessibility, accommodation, amenities, attractiveness, destination choice*

# **Impact of human resource management practices on turnover intention of housekeeping employees in hotels in Anuradhapura**

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## **Abstract**

The importance of managing human resources has been growing over the past years both in academia and in practice since the human resource management (HRM) practices helped employees to form their attitudes and behaviors. Hotel industry being one of the main industries that generate foreign exchange earnings contributing massively to the economy in Sri Lanka. One of the most challenging issues faced by the hotel industry today is the increasing employee turnover. Hence, this study is to identify how the HRM practices impact on the turnover intention of employees in hotels in Anuradhapura area. Five HRM practices; training and development, working condition, supervisory support, job security and compensation were identified through an in-depth literature survey. Self-administered questionnaire was used in gathering data and 48 housekeeping employees working in both classified and unclassified hotels were selected through the convenient sampling technique due to prevailing Covid 19 pandemic situation in the country. The major findings got through regression analysis reveal that, the training and development, and supervisory support have significant negative impact on the turnover intention. However, the HRM Practices in hotels are strongly correlated individually and jointly with employees' turnover intention. Thus, organizing skill development workshops, training programs, increasing training period of staff, and increasing supervisory support for the hotel employees are strongly recommended. Future researchers who are interested in studying on employees' turnover intention can investigate in wider spectrum in Sri Lanka including employees in supplementary accommodation.

**Keywords:** *Hospitality industry, housekeeping department, human resource management practices, turnover intention*

# **Influence of residents' perception towards tourism impacts on intention to involve in tourism development in coastal area in Negombo**

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## **Abstract**

Tourism is a powerful force in reversibility of economy in both developed and developing countries. The liberality and collaboration of the residence is crucial for the accomplishment and sustainability of tourism development in any country. Natural environment, economic stability and socio-cultural events create a significant basis of tourism development and consequently socio-cultural, economic and environmental impacts are being generated. The residents' perception on these impacts eventually will support to determine their involvement in the tourism development. Therefore, this study aims at investigating how far the residents' perception towards tourism impacts influence on their intention to involve in tourism development. A sample of 200 residents were randomly selected and surveyed employing a structured questionnaire, from 10 Grama Niladari divisions in Negombo coastal area which is one of the most attracted tourist destinations with ample number of tourism developmental projects. The results of a regression analysis revealed that the effect of residents' perception towards economic impacts and environmental impacts are significantly influence on intention to involve in tourism development while residents' perception towards socio-cultural impacts do not influence on intention to involve in tourism development. Thus, the study recommends the relevant authorities to take action over to minimize the negative economic and environmental impacts while increasing the positive impacts that eventually lead an upsurge intention of residents to involve in tourism development.

**Keywords:** *Residents involvement in tourism development, residents perception on tourism impacts, tourism development, tourism impacts*

**Livelihood development opportunities through tourism  
entrepreneurs: Katukanda, Palindanuwara Devotional Secretariat,  
Kaluthara district**

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**Abstract**

Entrepreneurship is a major force in economic development and tourism. It is one of the sectors of the service in economy that is in a consistent state of change and flux, innovation and change are vital if businesses are to grow and provide the diversity of products to accommodate changing patterns of tourism consumption. In order to find out the potential of livelihood development opportunities through tourism Entrepreneurs, this study employed the Grounded Theory approach. Based on the exploratory analytical approach, information gathered in Katukanda area in the Kaluthara District. Modernization, dependency, structural violence, corruption, accumulation, marginalization, cultural violence and community based entrepreneur activities, were eight core categories that have emerged in the study. The main qualitative methods incorporated to Grounded Theory were participant observation, unstructured interviewing and documentary materials. This study which was also qualitative employed a purposeful sampling technique. Amongst the main findings of the study was the inability for local villagers in the area to access markets, lack of business knowledge, with the lack of adequate transport facilities making this more difficult. Due to the lack of economic prospects in the area, given the existence of lack of livelihood development in villagers have often left their homes in search of jobs in other areas. There were a number of limitations in the process of data collection and data analysis due to circumstances which were beyond the control of the researcher. The major hurdle was the difficulty in accessing the data. A major setback was the reluctance of some village people to enter into a dialogue with what they considered to be “an outsider” because of past experiences.

**Keywords:** *Business knowledge, grounded theory, livelihood development, mass tourism, tourism entrepreneurs*

# **Promoting rural community tourism in Sri Lanka; a tool for enhance the local way of life: With special reference to Passi Ella Resort Camp**

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## **Abstract**

As a tourist destination Sri Lanka can compete successfully with other destinations partly because of its unique resources. Therefore, to grow the tourism industry and make a significant contribution to the national economy, Sri Lanka has to focus on promoting new and effective tourism sub matters. A fresh approach has to be applied to promote the rural community tourism which can highly concern about the well-being of the host communities, environment and culture. Passi Ella Resort is a newly built rural community tourism site with a restaurant in a hood close to Udawalawa National Park. Apart from accommodation, the resort provides safari jeeps to watch elephants, boat rides, cart rides and village tours with Sri Lankan cuisine. Therefore, the focus of this paper is to investigate rural community tourism in the view of well-being and the enhancing the lives of the community who live in the particular area. To achieve this motive, the researcher explored randomly selected 10 local people in Passi Ella in Sri Lanka. The study was based on both primary and secondary data. The results of the study revealed very important benefits, as well as the opportunities and potentials which need to be addressed. Human resource development, Community strength and unity, Community empowerment, Local Economic Development, Improved livelihoods and Standard of Living are some valuable benefits. Finally, the research provides some important suggestions to the host community that they need to be educated about their potentials and sustainability. Rich Bio Diversity, Diversity of activities, Availability of accessibility, Proper tour Itinerary plan, Tourism support groups, Getting interest of western tourists in folk life style. In future, rural community tourism will be enhanced more by identifications of its potentials for the future tourism industry.

**Keywords:** *Community based tourism, rural community tourism, Sri Lanka, tourism.*

## **Prospects and challenges for regional tourism development; the case of Hatton, Sri Lanka**

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### **Abstract**

The Tourism industry of Sri Lanka has been increasing rapidly. Overall performance of the tourism sector of the country is in a good position compared to other regional countries. However, evidence shows that it is performing under its potential. One of the major reasons behind this is that Sri Lanka failed to utilize its natural resources and tourist destinations in an appropriate manner. In Sri Lanka still, there are many places with high tourism potential is to be recognized. Hence the objective of this study was to investigate the prospects and challenges for tourism development in Hatton Region. The researcher selected tourism of Accessibility, Accommodation and Food, Attraction of the Destination and Rest, Relaxation and Leisure Activities as independent variables and potential for tourism development as the dependent variable. For this study, both primary and secondary data were used. A well-structured questionnaire was employed to collect the primary data. Web sites, articles, annual reports and research articles were used as the secondary data tools. The data were collected from 83 visitors who visited Hatton Region for tourism purpose. Both descriptive and inferential statistics were used in analyzing the collected data with the help of SPSS 21 Statistical Software. Meanwhile, multiple regression analysis was performed to investigate the effect of the variables interested. This can be overcome through forming tourist police task force, improving safety and security at tourist destination, improved infrastructure, developing tourist circuits and providing training. On the other hand, Hatton Region has the potential of promoting tourism both locally and internationally. Several plans have been introduced for tackling these issues by the government under “Tourism Development Strategy”. However, Government departments, private sector and community at large should take part in tourism for sustainable development and maintenance of the tourism sector in Hatton Region.

**Keywords:** *Domestic tourism, regional tourism, sustainable tourism, tourism development, tourism in Hatton, tourism potentials and challenges*



## **Reasons for accommodation units to remain in informal sector with special reference to Badulla district**

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### **Abstract**

There has been a growing interest among the researchers and policymakers around the world in informal economic activities and their contribution towards the national economies is enormous. Evidence, however, found in studies done in this particular area shows that there are a lot of gray areas to be addressed by systematic research. Sri Lankan economy is also characterized by these two sectors, where informal sector economic activities are relegated despite its importance. Sri Lankan tourism industry, one of the main contributors in the national economy, typifies formal and informal sector involvement in the operations. Provision of accommodation facilities has become a popular business among unregistered business owners who are, on the other hand, considered as informal sector accommodation providers. Compared with the number of registered accommodation service providers, informal sector accommodation providers in Badulla district is significantly high. This study sheds light on what are the reasons for them to be informal sector accommodation providers. This study has been designed as an explanatory study, where the questionnaire was administered among 118 participants by following a simple random sampling method. Findings of the research revealed that except the internet-based advertising skills and employee resource, other three variables such as income level, capital level and rural condition are significantly affected their decision to remain in the informal sector. Based on the findings it was recommended low level of income, low capital level and accommodation units with rural conditions need to be considered in policies related to registration and to introduce projects to increase benefits and to strengthen and increase the income, capital levels of accommodation venues and facilities in the area.

**Keywords:** *Accommodation providers, Badulla district, explanatory study, informal sector, registration intention*

## **Relationship between foreign active sports tourists' travel motivation and revisit intention to Sri Lanka**

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### **Abstract**

Tourism has become one of the largest and fastest growing industries across the globe as well as in Sri Lanka. Contemporarily, the relationship between sport and tourism is vastly discussed in both the industry and academic paradigms. Sport and tourism are two different industries, but the industries are always interconnected strongly. With the emerging potential for tourism in the world, Sri Lanka is in a need of redefining its strategies to increase sports tourism. The purpose of this study is to examine the relationship between active sports tourists' travel motivation and their revisit intention to Sri Lanka. The unit of analysis, an active sports foreign tourist, who engage in sporting and event activities such as water rafting, boat riding, surfing, snorkelling and cycling in Sri Lanka. A Likert scale questionnaire developed based on past studies was adopted as the survey instrument after assessing the internal consistency through a reliability analysis of the pilot test for this cross-sectional study. Travel motivation is operationalized using seven dimensions, namely, novelty, culture, adventure, social contact, escape, relaxation, and destination's attraction. Data collected from 250 foreign tourists using a purposive sampling method. The relationship between travel motivation and revisit intention was hypothesised and tested with Spearman correlation using SPSS. Results revealed a moderate level of positive relationship between two study variables. According to the findings, Sri Lankan cultural events and festivals are popular among the tourists; especially, Sri Lankan food and natural resources based adventure sports have a massive fascination among foreigners. Hence, the visitors' travel motivation and behavioural patterns can be recommended as a Sri Lankan tourism industry development mechanism. If the tourism industry is capable of mounting the dimensions of motivation variable, certainly, Sri Lanka will be able to get higher tourists' magnetism through local food, cultural events and natural resources.

**Keywords:** *Revisit intention, active sports tourist, travel motivation*

## **Street foods as an effective marketing tool for tourism industry in developing countries: A review**

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### **Abstract**

Street food is ready-to-eat food or drinks sold by a hawker, or vendor, in a street or other public place, such as at a market or fair. It is often sold from a portable food booth food cart or food truck and meant for immediate consumption. The types of street foods vary between regions and cultures in different countries around the world. Street foods are cheap, convenient, attractive and readily available in all busy cities and tourist destinations. Most of the developing countries like India, Singapore, Malaysia, Thailand have tourist-oriented economy and food is one of the main implicit factors when tourist choosing a destination to travel. This review paper gives a summary of the literature about the tourist industry in developing countries, socio-economic characters of street foods, consumers, hazardous conditions, and marketing tools to promote food tourism in developing countries. Creating innovative products are an effective marketing tool to promote sustainable business, and street foods are already fulfilling this concept. Food festivals, mobile food stalls, cookery shows, street food centres with new concepts like floating markets, traditional food items with medicinal values can use as effective marketing tools. An adopting to international food standards and safety approaches are also providing high value to lead strong & sustainable tourist industry in developing countries.

***Keywords:*** *Food safety, marketing tools, street foods, tourism.*

# **The impact of brand image and customer satisfaction on customer loyalty in hotels in Colombo district**

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## **Abstract**

Brand image, customer satisfaction and customer loyalty have been recognized as most dominant factors in success of any business organization especially in the service-oriented business such as hotels. Most hotel establishments consider customer satisfaction as a tool in achieving customer loyalty. But they may not consider hotel brand image as a strong predecessor of customer loyalty. Therefore, there is an issue as most hospitality managers assume that businesses can increase customer loyalty by only satisfying customers. Hence, the primary objective of the study is to investigate the impacts of customer satisfaction as well as brand image on customer loyalty in the hotel industry. Based on the nature of the research problem and the objectives, a quantitative research approach was employed and the convenience sampling technique was used to collect the primary data from 100 of visitors of hotels in Colombo district. Descriptive and inferential analysis were used to analyse the data and multiple regression analysis was adopted to test the hypotheses. According to the data analysis, the major findings indicates that there is a significant and positive impact of hotel brand image and customer satisfaction on customer loyalty in hotels in Colombo region. This study suggests that the development of customer loyalty relies not only on the potential of the hotel manager to increase performance-related customer satisfaction but also on his or her ability to produce a positive hotel image. Hotel managers should make effort to create favourable image about the hotel regarding factors such as brand location, employee attitudes, facilities, and the services of a hotel. Therefore, the research findings contribute to a better understanding of possible strategies to hospitality managers for increasing loyal customers for their businesses.

**Keywords:** *Brand image, customer loyalty, customer satisfaction, hotel industry*

# **The impact of job stress on employee's performance in star class hotels in Dambulla area**

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## **Abstract**

Job stress has become a common term in today's parlance. Stress leads to increase absenteeism, high labor turnover and low productivity. Dambulla being an isolated area with less infrastructure facilities available, the hotels located in Dambulla is at a high risk of employee stress. Thus the study was performed with the objective to identify the impact of job stress on employee's job performance in star class hotels in Dambulla area. The population of the study was 1550 non managerial level employees work in 06 star class hotels located in Dambulla. 200 non managerial level employees were chosen using stratified sampling method from various departments. A Likert Scale type questionnaire was used to gather data on demographics of respondents, the respondent's agreement on the four independent variables, such as role ambiguity, shift work, working environment & workload and the dependent variable is employee's job performance. Only 188 usable completed questionnaires were returned. Descriptive statistics were used to explain the sample and the regression analysis was carried out to examine the impact of stress on employee performance using SPSS 21. The results revealed that shift work and role ambiguity have a significant negative impact on employee job performance while other factors' influence remained insignificant. Therefore it was concluded that, increasing shift work and role ambiguity leads to poor employee job performance in Dambulla star class hotels. It was recommended to consider family life requirements to avoid social and domestic disruptions when fixing shifts for workers, furthermore it was recommended prevent from frequent change in duties and conduct on the job trainings to reduce work ambiguity which would possibly to enhance employee performance.

***Keywords:*** *Job stress, role ambiguity, shift work, working environment, workload*

# **The impact of push and pull travel motivations on tourist's revisit intention to Sri Lanka**

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## **Abstract**

International tourism allows national tourism industry to be more sustainable and through the tourism industry, the foreign currency inflows to monetary market of the country could be increased. One of the success factors of any touristic destination is the loyal tourists, who revisit the same destination. Thus, the primary purpose of this study is to examine the impact of Push and Pull travel motivations on international tourist's intention to revisit Sri Lanka. Based on literature review, the pull factors of this study include Nature, Culture Attraction and Heritage, Adventure, Friendly People, Climate and the Push factors such as Relaxation and Recreation, Enhancing Relationship, Enhancing Social Status, Fulfilling Prestige and Escaping from Daily Routine were considered. Applying quantitative approach, primary data were collected from conveniently selected 100 foreign tourists in the Sigiriya tourist's destination through a face-to-face questionnaire. The findings of the descriptive statistics suggest that tourists are intended to revisit Sri Lanka. Further, the results indicate that the Push-Pull factors have positive significant correlation with tourists' revisit intention, which indicates that when the Push and Pull motivations increase, the revisit intention also increases. Moreover, the results of the regression analysis indicate that Pull factors such as Culture Attraction and Heritage, Friendly People and Climate of Sri Lanka significantly impact on tourists' revisit intention. Therefore, it is recommended to the marketers to include Culture, Heritage, Climate and Sri Lankan people when promoting tourism targeting repeat tourists. Hence, findings reveal that motivations of tourists to travel Sri Lanka and provide practitioners and policy makers with a base to develop an effective strategy to improve the International tourism in Sri Lanka.

**Keywords:** *Pull and push motivation, tourists, tourists' revisit intention*

# **The impact of sustainable hotel practices towards guest satisfaction and re-visitation intention of classified hotels in Passikudah area**

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## **Abstract**

The hotel sector was identified as an industry of which activities consist of a more impact on the environment. The increasing awareness and demand for environmental concern lead the hotels to implement sustainable practices to be competitive among other hotels in the long run. Still, there was no research conducted by anyone in the Passikudah area about this topic. So, this study has identified that particular gap and set guidelines for this. Hence, the purpose of this study was to investigate the impact of sustainable hotel practices towards guest satisfaction and revisitation intention of classified hotels. The quantitative approach was employed, and the data were collected through a self-administered questionnaire from 55 departure tourists of classified hotels. Convenience sampling technique was used to draw the sample. Both descriptive and inferential statistics were utilized to analyze data using SPSS software. Hypotheses were tested using multiple regression analysis. The result of regression analysis reveals that the waste management and energy management were positively and significantly impacted on the guest satisfaction whereas water conservation was not shown a significant impact on guest satisfaction. The energy management was positively and significantly impacted on revisitation intention though the waste management, and water conservation were not indicated a significant impact on the revisitation intention. Moreover, Guest satisfaction has a significant impact on the revisitation intention, and it acts as a mediator between sustainable hotel practices and revisitation intention. The results of the study conclude and recommend that if the hotels implement sustainable hotel practices in terms of waste management, water conservation, and energy management, the business operations can be enhanced effectively, which may eventually lead to a satisfied and loyal customer.

**Keywords:** *Energy management, guest satisfaction, re- visitation intention, water conservation, waste management*

## **The impact of the service quality on guest satisfaction in boutique hotels with special reference to Matale district**

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### **Abstract**

Sri Lankan tourism and hospitality industry are rapidly developing after the end of the war in 2009. Sri Lanka reached highest tourist arrivals in 2017 which was about more than one point three million tourists. Because guests search more unique hotel experiences, nowadays boutique hotels have become the fastest-growing segment in the hotel industry in the world. But in Sri Lankan context there is no any development in boutique hotel sector in last six years amid the huge boost in the total tourism arrivals. Since hotel performance is affected to guest's satisfaction significantly and since early researches have proved that service quality has a high impact on the guest satisfaction, this study was conducted to investigate the impact of service quality on guests' satisfaction in boutique hotels with special reference to Matale district. 100 guests who visited eight boutique hotels located in Matale district during the period of 23rd December 2018 to 31st January 2019, were selected using convenient sampling technique as the sample of this study. The data were collected by using a structured questionnaire. The SERVQUAL model was used to measure the service quality. Descriptive statistics and regression analysis were used to analyze the data with the support of SPSS 21.0 version. The results revealed that the responsiveness and empathy dimensions do not have any significant impact on guest satisfaction. Tangibles, assurance and reliability dimensions have a significant impact on guest satisfaction. Therefore, researcher recommended to enhance the tangibles by increasing the appearance of aspects including physical facilities, hotel employees and material associated with the service. The assurance to be increased by developing, confidence of employees, safety and security of transactions, politeness and courteous of employees and competence of employees to answer guest questions. It is also recommended to enhance reliability by developing timeliness of service, problem solving interest, efficiency of service, consistency of service and accuracy of records.

**Keywords:** *Boutique hotel, guest satisfaction, service quality, servqual model*



# Touristic destinations' risk perception and revisit intention in Sigiriya area

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## Abstract

Scholarly attention on the perceived risk in tourism is emerging on the Sri Lankan context after the Easter Sunday Attack in 2019 and during the global outbreak of COVID-19. On the other hand, purchasing tourism products is inherently attached to uncertainties which ultimately lead to risks due to the service nature of the tourism industry. The determination of the risk perception of tourists towards a destination is beneficial for successful management of the destination. Therefore, this research intends to examine the impact of touristic destinations' risk perception on revisit intention of the tourists visiting Sigiriya; one of the most visited tourists destinations in Sri Lanka. The statistical population of the study consists of both domestic and inbound tourists who visited Sigiriya and sample of 100 visitors were selected conveniently during the months of February and March 2020. Correlation and regression analyses were used to analyze the data using SPSS software. The results revealed that four perceived risk dimensions; time risk, physical risks, financial risks and performance risk have a negative impact on revisit intention of tourists while physical risk contributes the highest in determining revisitation intention. It was further revealed that the socio-psychological risk does not have a significant impact on revisit intention to Sigiriya. The study produced some recommendations and implications for tourism destination managers and marketers. Accordingly, minimizing the perceived risk through; ensuring the food and beverage safety, empowering the relevant authorities to avoid stealing and snatching in the area, improving the effectiveness of the ticket issuing officers, establishing price standards for entrance tickets, improving the quality of public transport services, reducing traffic congestion, managing the tourism carrying capacity of the destination, conducting awareness programs and training programs for tourism service providers in the destination are highly recommended to increase the quality of the tourism services.

**Keywords:** *Perceived risk, revisit intention, risk perception of tourists, tourism destinations, tourism products*