

**IMPACT OF PERCEIVED EXTERNAL AND INTERNAL  
FACTORS ON MANAGEMENT ACCOUNTING PRACTICES IN  
MANUFACTURING FIRMS IN GAMPAHA DISTRICT**



**BY**

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## ABSTRACT

Manufacturing industry is considered as the backbone of economic growth in selected countries including Sri Lanka and manufacturing firms make up a large part of Sri Lankan economy. The development of Management Accounting Practices is most integral part for the manufacturing firms. This paper aims to identify the impact of perceived external and internal factors on management accounting practices in manufacturing firms in Gampaha district and discusses likely explanations for the findings in the context of the literature. A questionnaire survey was administered to 268 Accountants/Managers who are working in manufacturing firms in Gampaha district and in this study used stratified random sampling method. Descriptive, Correlation and Multiple Regression were used for data analysis. The data were analyzed using SPSS 22.0. Based on the findings of the study, Management Accounting Practices are at a high level in manufacturing firms in Gampaha district also level of perceived external and internal factors are at high level on Management Accounting Practices in manufacturing firms in Gampaha district. The result showed that there is a strong positive relationship between perceived external and internal factors and Management Accounting Practices also the study reveals that the out of nine factors environmental uncertainty, market competition, competitive strategy, organizational structure, advanced manufacturing technology, total quality management, size of the company and qualified accounting staff was significantly impact on MAPs in manufacturing firms in Gampaha district.

**Key words:** External Factors, Internal Factors, Management Accounting Practices

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