

**CAPITAL STRUCTURE AS A MEDIATING FACTOR IN THE RELATIONSHIP
BETWEEN UNCERTAINTY, CSR AND FINANCIAL PERFORMANCE:
SERVICE SECTOR IN AMPARA DISTRICT.**



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ABSTRACT

This study investigates the capital structure as a mediating factor in the relationship between uncertainty, CSR and financial performance. Uncertainty and Corporate social responsibility (CSR) are the independent variables. And financial performance is as the dependent variable. Capital structure as a mediator between the two variables.

Using a structured questionnaire, the data were collected from 54 chief financial officers of seven selected banks and two telecommunications of service sector in Ampara District. And the collected data were analyzed by using descriptive statistics, correlation, regression and mediating analyses.

The findings reveal that the uncertainty, CSR, capital structure and financial performance are in high level among the organizations of banks and telecommunication in service sector. The analyses stated the strong negative relationship between the uncertainty and financial performance, the strong negative relationship between uncertainty and capital structure and the strong positive relationship between CSR and financial performance and the strong positive relationship between CSR and capital structure and the strong positive relationship between the capital structure and financial performance, capital structure has been found to a partial mediating effect on the relationship between Uncertainty , CSR and financial performance.

Key Words: Uncertainty, Corporate social responsibility, Capital structure and financial performance.

TABLE OF CONTENTS

ACKNOWLEDGEMENT	I
ABSTRACT.....	II
TABLE OF CONTENTS.....	III
LIST OF TABLES	VII
LIST OF FIGURES	X
LIST OF EQUATIONS	XI
LIST OF ABBREVIATION	XII
Chapter-1 Introduction.....	- 1 -
1.1. Background of the Study	- 1 -
1.2. Problem Statement	- 3 -
1.3. Research Questions	- 5 -
1.4. Research Objectives	- 6 -
1.5. Significance of the Study	- 6 -
1.6. Scope of the Study.....	- 8 -
1.7. Organization of Chapter	- 8 -
1.8. Chapter Summary.....	- 9 -
Chapter-2 Literature Review.....	- 10 -
2.1. Introduction	- 10 -
2.2. Uncertainty	- 10 -
2.3. CSR	- 11 -
2.4. Capital Structure.....	- 12 -
2.5. Financial Performance.....	- 13 -
2.6. Uncertainty and Financial Performance	- 14 -
2.7. CSR and Financial Performance	- 15 -
2.8. Capital Structure and Financial Performance.....	- 18 -
2.9. Uncertainty and Capital Structure	- 21 -
2.10. CSR and Capital Structure.....	- 22 -
2.11. Summary.....	- 24 -

Chapter-3_Conceptualization and Operationalization	- 26 -
3.1. Introduction	- 26 -
3.2. Theory to Underpin Conceptual Model of the Study	- 26 -
3.2.1. The Big Picture of CSR Theories.....	- 26 -
3.2.2. The Big Picture of Capital Structure Theories	- 30 -
3.3. Conceptualization.....	- 31 -
3.3.1. Conceptual Framework.....	- 32 -
3.3.2. Uncertainty	- 32 -
3.3.3. CSR	- 33 -
3.3.6. Financial Performance	- 34 -
3.3.7. Capital Structure.....	- 35 -
3.4. Operationalization	- 35 -
3.4.1. Summary of Operationalizations.....	- 36 -
3.5. Chapter Summary.....	- 38 -
Chapter-4_Research Methodology	- 39 -
4.1 Introduction	- 39 -
4.2 Research Philosophy	- 39 -
4.3 Research Approach	- 40 -
4.4 Research Strategy	- 40 -
4.5 Time Horizons.....	- 40 -
4.6 Study Setting	- 41 -
4.7 Research Design.....	- 41 -
4.8 Method of Data Collection.....	- 41 -
4.8.1 Primary Data	- 41 -
4.8.2 Secondary Data.....	- 43 -
4.9 The Pilot Study.....	- 43 -
4.9.1 Reliability And Validity Test.....	- 44 -
4.10 Sampling.....	- 45 -
4.10.1 Population of The Study.....	- 45 -
4.10.2 Sample Size.....	- 46 -
4.11 Data Analysis and Evaluation	- 47 -

4.11.1	Univariate Analysis.....	- 47 -
4.11.2	Bivariate Analysis	- 48 -
4.12	Method of Data Presentation.....	- 51 -
4.13	Testing Hypotheses	- 52 -
4.14	Chapter Summary.....	- 53 -
Chapter-5	Data Presentation and Analysis.....	- 54 -
5.1	Introduction	- 54 -
5.2	Analysis of Reliability.....	- 54 -
5.3	Data Presentation and Analysis of Personal Information.....	- 55 -
5.3.1	Age	- 55 -
5.3.2	Gender.....	- 56 -
5.3.3	Name of the Organization	- 56 -
5.3.4	Organization's Revenue	- 57 -
5.3.5	Organization's Expenditure	- 57 -
5.4	Data Presentation and Analysis of Research Information.....	- 58 -
5.4.1	Univariate Analysis.....	- 58 -
5.4.2	Bivariate Analysis	- 67 -
5.5	Chapter Summary.....	- 87 -
Chapter-6	Discussion of Findings.....	- 88 -
6.1	Introduction	- 88 -
6.2	The Personal Information.....	- 88 -
6.2.1	Age of the Respondents.....	- 88 -
6.2.2	Gender of the Respondents	- 89 -
6.2.3	Name of the Organization of the Respondents.....	- 89 -
6.2.4	Organization's Revenue	- 89 -
6.2.5	Organization's Expenditure	- 89 -
6.3	Discussion of Research Information	- 90 -
6.3.1	Discussion -Objective One.....	- 90 -
6.3.2	Discussion- Objective Two.....	- 92 -
6.3.3	Discussion- Objective Three.....	- 93 -
6.3.4	Multiple Regression of CSR Dimensions on Financial Performance	- 100 -

6.4 Chapter Summary.....	- 100 -
Chapter-7 Conclusion and Recommendation	- 101 -
7.1 Introduction	- 101 -
7.2 Conclusion.....	- 101 -
7.2.1 Conclusion- Objective One.....	- 101 -
7.2.2 Conclusion- Objective Two	- 101 -
7.2.3 Conclusion- Objective Three	- 102 -
7.3 Contribution of the Study.....	- 102 -
7.4 Recommendations	- 104 -
7.5 Limitation of the Study	- 105 -
7.6 Direction for the Future Studies.....	- 105 -
List of References	- 107 -
Appendix-1	- 119 -