The Impact of Bank Ownership Type on Financial Performance in Licensed Commercial Bank in Sri Lanka

Piyarathna, W.H.N.¹ and Sujeewa, G.M.M.²

^{1,2}Department of Accountancy, University of Kelaniya

¹ hansikanisadi123@gmail.com, ²mudith@ kln.ac.lk

Abstract

The performance of licensed commercial banks is being impacted by the ownership structure. The purpose of this paper is to investigate the performance of licensed commercial banks which influenced by ownership type. In this study, different ownership as Domestic, Foreign and State are used to measure ownership type as independent variables. Dependent variables are financial performance which is measured by using CAMEL method. This study is adopted quantitative research approach and data collected through secondary sources and selected the sample as all Licensed Commercial Banks in Sri Lanka which represent sample of two government owned banks, Six foreign owned banks and nine private owned banks across financial periods of 2013-2020. The collected data is analyzed through the descriptive statistic, correalation analysis and multiple regression analysis. The study will discover the impact of ownership type on financial performance of the banking sector.

Key words: Licensed Commercial Banks, Financial Performance, Ownership Type, CAMEL Method