

# **Impact of Strategic Management Accounting Practices on Financial Performance in Listed Manufacturing Companies in Sri Lanka**

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## **Abstract**

Accounting focused on management or related to management functions is known as strategic management accounting. The function of a management accountant in a company and management accounting procedures are both being profoundly altered by the recent rapid changes in the business environment. Enhancing an organization's performance and profitability through pertinent data for planning, controlling, and decision-making has traditionally been the main goal of management accounting. 92 listed manufacturing companies in Sri Lanka made up the research population. The purpose of this study was to investigate the relationship between listed manufacturing companies in Sri Lanka's improved financial performance and their use of strategic management accounting practices as strategic initiatives. The use of multiple regression analysis is employed to examine the relationship between the application of strategic management accounting methodologies and the improvement in ROA, a measure of the initiatives' related financial performance. According to analysis, at least one of the strategic initiatives is used by 84% of the listed manufacturing companies in Sri Lanka that are being examined. Furthermore, compelling data suggests that implementing strategic initiatives improves the financial performance of the listed manufacturing companies in Sri Lanka that are being studied.

**Keywords:** Strategic Management Accounting practices, Listed Manufacturing Companies in Sri Lanka, Perceptions, Financial Performance, Level of Use.