

The Factors Influencing the Adoption of Management Accounting Practices in Small Medium Enterprises within the Puttalam District

M.F.F. Rushda*, S. Yamuna

University of Peradeniya, Peradeniya, 20400, Sri Lanka

**frushda98@gmail.com*

This study explains the factors influencing the adoption of Management Accounting Practices (MAPs) in Small and Medium Enterprises (SMEs) within the Puttalam district, Sri Lanka. Good MAPs are required for SMEs' growth since they have a significant impact on organizational performance. The objective of this study is to identify the factors that are influencing the adoption of MAPs among SMEs within the Puttalam district through the lenses of the Theory of Planned Behaviour and the Technology Acceptance Model. All the SMEs in the Puttalam district were considered as the population, but only 375 of the 7785 SMEs were chosen at random using the Morgan Table. Multiple regression analysis was employed as the analysis technique in order to achieve the objective of the study. The results of the regression analysis revealed, on the one hand, that the adoption of MAPs was positively and significantly influenced by the perceived benefit, attitude of the management, external pressure, and security. On the other hand, perceived ease of use and ICT knowledge have an insignificant influence on the MAPs adoption. As a result, only four of the six proposed hypotheses were confirmed. The study has found that the MAPs adoption in Sri Lanka is low and that there is a gap between the theory and practice of MAPs compared with the West. Initiating new promotional programs to make employees more familiar with these MAPs and arranging an awareness program related to the necessity of MAPs will increase awareness of the usefulness of MAPs.

Keywords: Adoption, Attitude, Management accounting practices, Perceived benefits, Small medium enterprises

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