

## **RELATIONSHIP BETWEEN WORKING CAPITAL MANAGEMENT AND PROFITABILITY OF LISTED COMPANIES IN SRI LANKA**

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### **Abstract**

Working Capital Management is the different between the current asset and the current liability. Manage the working capital is the valuable component in cooperate finance management being it directly affects to the firms profitability and also shows the firms liquidity level (Lazaridis & Tryfonidis, 2006).

The purpose of this research is to establish a relationship that is statistical significant between profitability and working capital management of listed companies in Sri Lanka. In this study, has been used days sales outstanding, days payable outstanding and inventory outstanding as the independent variable and gross operation profit as the dependent variable (Lazaridis & Tryfonidis, 2006). Variables had been tested by collecting the data from the selected listed company in Sri Lanka from 2009 to 2015. This study uses SPSS to analyze relationship between Independent and depended variables by process data on regression and correlation techniques. This research will help to get understand the relationship between working capital management and the profitability of the firm.

**Key words:** working Capital, Gross Profitability, Cooperate Finance