

STUDY OF THE ROLE OF PROFESSIONAL ACCOUNTANT AS A BUSINESS ADVISOR TO UPLIFTMENT OF SMALL AND MEDIUM-SIZE ENTERPRISES IN SRI LANKA.

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Abstract

Small and Medium Enterprises (SMEs) are the backbone of the Sri Lanka as job producers and key players in the local and regional economy. Therefore, it is very important to constantly advise to them on their businesses. As of today, the SMEs receive many kinds of advice from various parties and among them the professional accountants are playing an important role towards improving the financial accounting practices. However, an analysis of literature reveals that there is dearth of literature available on the role of professional accountants as business advisors for SMEs in the context of developing countries particularly in Sri Lanka. Therefore, the purpose of the study is to identify the Role of professional accountant as a business advisor to small and medium-size enterprises in Sri Lanka. Further, this study provides fresh insight on the relationships between accountants and SMEs, Institutional support, and the perspective of the accountant as business advisor to enhancement of the SMEs in Sri Lanka. This research adapted quantitative approach using a questionnaire survey with 150 professional accountants of audit firms in Colombo and Gampaha districts who provide business advice for SMEs in Sri Lanka. Accordingly, eighty-three useable responses were received for the analysis. The primary data collected through the questionnaire survey was analyzed using the Statistical Package for the Social Sciences (SPSS). Descriptive statistics such as simple frequencies and mean ratings will be computed on the demographic characteristic. Finding of the research will provide useful information on the services currently provided by professional accountant to SMEs, and Accountants perceive as barriers in their work with SMEs. Further findings provide useful insight to professional accountant in expanding their future services to SMEs.

Key words: *SMEs, Professional Accountants, Business advice, Relationship, developing economy, IFAC, Big 04*