

## Financial Control Practices and Financial Performance Among Selected Companies in the Real Estate Sector

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### Abstract

The study aimed to correlate financial control practices and financial performance among selected companies in the Real Estate Sector. The descriptive survey method was used in the study. The researcher gathered the necessary data using survey questionnaires. Frequency and Percentage Distribution, Weighted Mean, Ranking, Kruskal-Wallis H test, and Spearman Rank Correlation were employed as statistical tools. The financial control practices of selected companies in the real estate sector were very effective in terms of “Management Policies”, “Accounting System” and “Financial Reporting” aspects. There existed a significant difference in the level of effectiveness of financial control practices of the real estate companies when grouped according to the company profile. Majority of the real estate companies were profitable in terms of Net Profit Margin, Return on Assets, and Return on Equity. This is most evident when profitability is measured in terms of Net Profit Margin. However, almost half of them were performing below benchmark when measured in terms of Return on Assets. There existed a significant difference in the financial performance of the companies as assessed by the respondents when grouped according to the company profile. There existed a significant relationship between the effectiveness of financial control practices and financial performance. The significant relationship was evident in all aspects, i.e., Management and Staffing, Accounting System, and Financial Reporting when financial performance is assessed in terms of Return on Equity.

*Keywords: business, correlation, financial control practices, financial performance, real estate sector, Philippines*