

**IMPACT OF EFFECTIVENESS OF COMPUTERIZED
ACCOUNTING SYSTEM ON THE FINANCIAL DECISION
MAKING IN LISTED COMPANIES IN SRI LANKA**



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ABSTRACT

This paper presents the impact of Effectiveness of Computerized Accounting Systems on Financial Decision Making of Listed Companies. Primary and secondary data were used in this study. The primary sources include the use of questionnaires while the secondary data were including published annual reports for the period of 2019 mainly. Such as text books, article and other important write-up in various journals. The study variables consist of both dependent variable and independent variables, with Internal Control System, System Sophistication, System Flexibility, Security System and Infrastructure being the independent variable and Financial Decision-Making being the dependent variable. Proportionate Stratified sampling equation is adopted to arrive at sample size of 166, out of 285 listed companies in Sri Lanka. A questionnaire is designed using Five- Point Likert Scales and distributed through Google Forms to the Accounting Officers of the listed companies.

For the purpose of this research, frequency analysis, descriptive analysis, correlation analysis and simple regression analysis under univariate analysis and multiple regression analysis has been conducted. According to descriptive analysis, level of CAIS effectiveness and financial decision making are high level in listed companies of Sri Lanka. Based on result of the correlation analysis, there is a significant relationship between variables and as per the regression analysis, there is a significant impact of accounting information system effectiveness on financial decision making of listed companies in Sri Lanka.

Based on the study results, researcher recommends to maintain the highest levels of Computerized Accounting System effectiveness by keeping pace with the latest developments in the fields such as internal control system, System Sophistication, system flexibility, security system and infrastructure. Therefore, maintaining a high level of accounting information system effectiveness will be an advantage to raise the financial decision making of listed companies of Sri Lanka.

Keywords: The Effectiveness of Computerized Accounting Information System, Financial Decision Making.

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