## QUALITY OF E ACCOUNTING & EFFECTIVENESS OF E ACCOUNTING IN COMMERCIAL BANKS IN BADULLA DISTRICT



By D.M.P. MADUWANTHA REG. NUMBER: EU/IS/2015/COM/49 INDEX NUMBER: COM 1929



This Project Report Submitted to The Faculty of Commerce and Management, Eastern University, Sri Lanka as A partial Requirement of fulfilment of The Degree of Bachelor of Commerce Honors in Accounting and Finance [Acc spl (Accounting and Finance)]

> Department of Commerce Faculty of Commerce and Management Eastern University, Sri Lanka

> > 2021

PROCESSED MAIN LIBRARY, EUSL

## ABSTRACT

The main objective of this research is to find out the effectiveness of E Accounting in selected commercial banks in Badulla district. Sub objectives focused to obtain the existing levels of Accuracy, Timeliness, Completeness, Security, Ease of Use. Efficiency & Effectiveness of E Accounting and relationship and impact between Accuracy, Timeliness, Completeness, Security, Ease of Use, Efficiency & Effectiveness of E Accounting in selected commercial banks in Badulla district. Data was collected from 314 banking staff to conduct the study.

The collected data has been analyzed by using descriptive statistics, correlation analysis and regression analysis. The result indicated that Accuracy, Timeliness, Completeness, Security, Ease of Use. Efficiency & Effectiveness of E Accounting had high level in the selected commercial banks in Badulla district. Also result indicated a moderate positive relationship between completeness and Effectiveness of E Accounting and strong positive relationship between Accuracy, Timeliness, Security, Ease of Use, Efficiency & Effectiveness of E Accounting. As well as there is significant positive impact of Accuracy, Timeliness, Completeness, Security, Ease of Use. Efficiency on Effectiveness of E Accounting selected commercial banks in Badulla district.

*Keywords:* Accuracy, Timeliness, Completeness, Security, Ease of Use. Efficiency & Effectiveness of E Accounting

## **TABLE OF CONTENTS**

ACKNOWLEDGEMENTi
ABSTRACT
TABLE OF CONTENTiii
LIST OF TABLES
LIST OF FIGURESxi
LIST OF EQUATIONSxii
ABBRIVIATIONS
Chapter – 1 INTRODUCTION1
1.1 Background of The Study
1.2 Problem Statement
1.3 Objectives
1.4 Questions
1.5 Significance of The Study
1.6 Scope of The Study 6
1.7 Limitations of The Study
Chapter -2 LITERATURE REVIEW
2.1 Accounting and accounting systems
2.2 Introduction to Electronic Accounting
2.3 Introduction to Commercial Banks 10
2.4 Application of Electronic Accounting in Commercial Bank Sector 12
2.5 Electronic Accounting Systems Vs Manual Accounting Systems 16
2.6 Benefits and Problems of Adopting Electronic Accounting 17
2.6.1 Electronic Accounting Adoption Models 17
2.6.2 Benefits of Electronic Accounting Systems

	2.6.3 Problems Associated with Electronic Accounting	19
	2.7 Variables of The Study	20
	2.7.1 Accuracy	20
	2.7.2 Timeliness	21
	2.7.3 Completeness	22
	2.7.4 Security	22
	2.7.5 Ease of Use	23
	2.7.6 Efficiency	23
	2.7.7 Effectiveness of Electronic Accounting	24
	2.8 Hypothesis	25
	2.8.1 Accuracy	25
	2.8.2 Timeliness	25
	2.8.3 Completeness	26
	2.8.4 Security	26
	2.8.5 Ease of Use	27
	2.8.6 Efficiency	27
	2.9 Chapter Summary	28
C	hapter -3 CONCEPTUALIZATION AND OPERATIONALIZATION	29
	3.1 Introduction	29
	3.2 Conceptual Framework	29
	3.3 Theoretical Foundation Relevant to The Conceptual Model	30
	3.4 Introduction Variables Relevant to The Conceptual Model	30
	3.4.1 Accuracy	30
	3.4.2 Timeliness	31

3.4.3 Completeness	
3.4.4 Security	
3.4.5 Ease of Use	
3.4.6 Efficiency	
3.4.7 Effectiveness of Electronic Accounting	
3.5 The Conceptual Model	
3.6 Operationalization	
3.6.1 Summary of Operationalization for Independent Variables	
3.6.2 Summary of Operationalization for Dependent Variable	
3.7 Chapter Summary	
Chapter-4 RESEARCH METHODOLOGY	
4.1 Introduction	
4.2 Research Philosophy	
4.2.1 Pragmatism	
4.2.2 Positivism	39
4.2.3 Realism	
4.2.4 Interpretivism (Interpretivist)	
4.3 Research Approach	39
4.4 Research Strategy	
4.5 Methodological Choice	
4.6 Time Horizon	
4.7 Research Site / Area Selection	41
4.8 Population of The Study	
4.9 Method of Sample Selection & Sample Size	

	4.10 Method of Data Collection and Source	43			
	4.10.1 Primary Data	43			
	4.10.2 Secondary Data	43			
	4.11 Research Instrument	43			
	4.11.1 Personal Information of Respondents	. 44			
	4.11.2 General Research Information	. 44			
	4.12 Source of Measurement	. 44			
	4.13 Reliability Test	45			
	4.14 Unit of Data Analysis	. 46			
	4.15 Methods of Data Analysis	46			
	4.16 Method of Data Evaluation	46			
	4.16.1 Univariate Analysis (Descriptive Statistics)	. 46			
	4.16.2 Bivariate Analysis (Inferential Statistics)	. 47			
	4.17. Summary	49			
	Chapter-5 DATA PRESENTATION AND ANALYSIS				
C	Chapter-5 DATA PRESENTATION AND ANALYSIS	.50			
C	Chapter-5 DATA PRESENTATION AND ANALYSIS         5.1 Introduction				
C		50			
C	5.1 Introduction	. 50 . 50			
C	<ul><li>5.1 Introduction</li><li>5.2 Analysis of Reliability</li></ul>	. 50 . 50 . 51			
C	<ul> <li>5.1 Introduction</li></ul>	50 50 51 51			
C	<ul> <li>5.1 Introduction</li></ul>	50 50 51 51			
	<ul> <li>5.1 Introduction</li></ul>	. 50 . 50 . 51 . 51 . 55 . 77			
	<ul> <li>5.1 Introduction</li> <li>5.2 Analysis of Reliability</li> <li>5.3 Data Presentation</li> <li>5.3.1 Data Presentation for Personal Information</li> <li>5.3.2 Data Presentation for the Research Variables</li> <li>5.4 Chapter Summary</li> </ul>	. 50 . 50 . 51 . 51 . 55 . 77 .78			
	<ul> <li>5.1 Introduction</li></ul>	. 50 . 50 . 51 . 51 . 55 . 77 .78 . 78			

6.2.2 Discussion of Second Objective		
6.2.3 Discussion of Third Objective		
6.3 Chapter Summary		
Chapter – 7 CONCLUSIONS AND RECOMMENDATIONS		
7.1 Introduction		
7.2 Conclusions		
7.2.1 First Objective of the Study		
7.2.2 Second Objective of the Study 89		
7.2.3 Third Objective of the Study		
7.3 Contribution of the Study		
7.4 Recommendations		
7.5 Limitations of the Study		
7.6 Future Research Directions		
APPENDIX-1 ENGLISH QUESTIONNAIRE		
APPENDIX-2 THE OUTPUT OF THE DATA ANALYSIS		