

**INVESTIGATING THE RELATIONSHIP BETWEEN
ACCOUNTING SOFTWARE AND THE BUSINESS
PERFORMANCE OF SMALL AND MEDIUM SCALE
ENTERPRISES (SMES) IN KANDY DISTRICT, SRI LANKA**

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Abstract - The adoption and effective use of accounting software is a form of business innovation, but also a prerequisite and further driver of other forms of business innovation. In addition, it has become an obligatory trend within all over the world & the use of this software is common for most modern organizations but it can be noted as a novel method for most SME'S in Sri Lanka. Since this research, study's main purpose is to investigate the relationship between Characteristics of Accounting Software and the business performance of SMEs in the Kandy District .Moreover, while the literature on Computerized Accounting characteristics in Sri Lanka is growing; no study has so far tried to explain the relative contribution of the maintainability factor to the business performance. The proposed model can explain 67.8% variation of Business Performance toward characteristics of accounting software. The results of this study designate that there is a relationship between Software Maintainability and Business Performance.

Keywords: Computerized Accounting System, Small and Medium Enterprises, Business Performance.