

# **Impact of computerized accounting information systems on the financial performance of construction organizations in Sri Lanka**

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## **Abstract**

Accounting information plays an important role in a business organization's decision-making process. Since the quality and faster access to accounting information will improve financial performance, the idea of computerized accounting information systems has become a buzzword in this age of global technological advancement. However, when it comes to business enterprises in the construction industry in Sri Lanka, there is a dearth of integration of accounting processes with computerized information systems. Thus, this study aims to examine whether the use of computerized accounting information systems increases the financial performance of construction companies in Sri Lanka. The population of this study was construction companies which use computerized accounting information systems and a sample of 25 construction organizations was selected among them by applying a convenient sampling method. The data was collected through an online self-administered questionnaire distributed among administrative and financial directors, heads of finance departments, IT officers and accountants. Computerized accounting information systems with aspect of access to accounting information, improved decision making, performance evaluation, and quality of accounting information was considered as the independent variables in the study while considering the financial performance as the dependent variable. Descriptive statistics, correlation analysis and regression analysis were applied in the analysis. The results of the correlation analysis and regression analysis showed a significant and positive impact of all the aspect of the independent variables on the dependent variable. Therefore, the findings imply that the use of computerized accounting information systems can increase the construction companies' financial performance.

**Keywords:** *Access to accounting information, improved decision making, performance evaluation, quality of accounting information.*