



A STUDY ON AWARENESS OF THE PROCESS OF CAS IN SMALL AND MEDIUM ENTERPRISES WITH REFERENCE TO THE SIZE OF THE BUSINESS

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Abstract:

A sound accounting system has a significant impact on the performance of any organization, particularly small and medium-sized businesses. Information technology has advanced dramatically over time, and it has the ability to completely transform how businesses operate. That's why it is important to study the awareness of Computerised Accounting System in small and medium enterprises. For this after conducting pilot survey chi- square test applied to fetch the result.

Key Words: CAS (Computerised Accounting System), SMEs (Small and medium enterprises)

Introduction:

Small and Medium Enterprises (SMEs) play an important role in the growth of the Indian Economy. SMEs provide numerous opportunities for employment and are believed to alleviate poverty. Small and Medium Enterprises as vehicles for the growth and development of a nation thus require attention and policies to facilitate the growth of these enterprises. With the expansion of business, the number of financial transactions has increased. A number of new tax regimes and regulations have come into effect. In India, studies on CAS, its usage, extent, factor affecting, pattern and practices level and performance among SMEs have received little attention compared to large-scale and international industries. The present study is an attempt to understand and examine (i) the perceptions of SMEs on accounting systems and computerised accounting systems and (ii) the extent of CAS adopted based on various dimensions. This aspect with reference to SMEs in North Gujarat has remained unaddressed.

Literature review:

For this topic of research existing knowledge based on popular searches from *Science Direct, Academia, Elsevier, Research Gate, and Google Scholar - public domain literature was acquired. Some of them are as follows:* Marivic (2009)¹, A computerised accounting system (CAS) is a method or strategy for recording, organising, summarising, analysing, interpreting, and communicating financial information on company transactions to stakeholders using computers and computer-based systems such as

accounting packages. Khar (2014)², according to his research, a computerised accounting system may help large and small firms increase efficiency, optimise workflow, eliminate data redundancy and mistake reconciliation, and improve financial management. Kanakri (2016)³, using quantitative survey research and a sample of 180 accounting information users such as accountants, investors, auditors, financial analysts, and academics, researchers looked at the impact of accounting information system use on accounting information quality in Jordanian enterprises. Accounting information systems improve accounting data quality by 72 percent, according to the study's findings.

Research Methodology:

Objectives:

1. To study the awareness of the process of CAS in Small and medium enterprises.

Universe of the study:

North Gujarat consists of six districts Mehsana, Sabarkantha, Banaskantha, Patan, Aravalli and Gandhinagar. Hence Small and Medium Enterprises (SMEs), which are running a business in the North Gujarat Mehsana, Sabarkantha, Banaskantha, Patan, Aravalli and Gandhinagar, is the Universe or Population of this study. In other words, SMEs registered up to March 2021 in North Gujarat are considered as the universe of the Study.

Sample size and its selection process:

Taking into consideration the time and cost factors, the researcher distributed/administered 500 questionnaires based on a pilot survey and simple random as well as convenient method.

The questionnaire was also emailed to some SMEs based on a list provided by the Gujarat Chamber of Commerce and industries, District Industries Centre, MSME Gujarat etc.

Hypothesis:

Two types of the hypothesis in this research paper

Null hypothesis: There is no significant difference between respondents according to awareness of the process of CAS and types of the business.

Alternative hypothesis: There is a significant difference between respondents according to awareness of the process of CAS and types of the business.

Data analysis and interpretation:

After completion of data collection, questionnaires were correctly edited. Questionnaire codification, and tabulation, were processed. A designed chapter plan was prepared and chapter-wise analysis and interpretation of data after taking proper objectives and hypothesis as well as research methodology into consideration was undertaken. Logical conclusions were drawn and summarized in a systematic manner-based data analysis and interpretation. The hypothesis is tested with the help of a chi-square test.

Distribution of respondents according to awareness of the process of CAS and the size of the business

Table: Respondents according to take CAS decision

Particular	Small Enterprises	Medium Enterprises	Total
Strongly Disagree	7	0	7
	2.7%	0.0%	1.4%
Disagree	9	8	17
	3.5%	3.3%	3.4%
Neutral	21	15	36
	8.2%	6.1%	7.2%
Agree	69	76	145
	27.0%	31.1%	29.0%
Strongly Agree	150	145	295
	58.6%	59.4%	59.0%
Total	256	244	500
	100.0%	100.0%	100.0%

About the table: -

In the above table, the distribution of respondents according to awareness of case process and size of the business, the small enterprises strongly agree is 150 (58.6 %) percentage & strongly disagree is 7 (2.7%) percentage, whereas in medium enterprises strongly agree is 145 (59.4 %) percentage & strongly disagree is 0 (0 %) percentage

Testing Hypothesis

H₀: There is no significant difference between respondents according to awareness of the process of CAS and the size of the business.

H₁: There is significant difference between respondents according to awareness of the process of CAS and the size of the business

Calculation of Chi-Square = 8.19

Table value of Chi-Square = 26.30

(Degree of Freedom. = 4 at 0.05 level)

The above calculate information show that:

The calculation values of Chi-square (X^2) are lower than the table value of Chi-square. (X^2), so H₀ is accepted. There is no significant difference between respondents according to awareness of the process of CAS and the size of the business.

Findings and Conclusion: The awareness of the process of CAS in Small and medium enterprises

Kinnariben A. Modi Dr. J. K. Patel

with reference to the size of the business was strongly agreed. It means most of the small and medium size enterprises were aware with the CAS process. There is requirement of further study to know the extent of adoption of CAS. If the adoption is less then the reasons of it must be studied.

References

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