

ABSTRACT

This research attempts to study the usage of computerised accounting system, with the focus on accounting software usage, in small and medium companies. This research covers 4 areas, which are the basis of requirements and selection, maintaining and impact of the system on the performance of small and medium companies, A sample of 250 small and medium companies is selected for the purpose of this research,

The results of this study show that 97.7% of small and medium companies uses computerised accounting system. 88% of them uses a standard software while 12% uses a **customised** software. 76.8% of them allocate a budget between RM1000 to RM20000 for their software. One important trend is that the usage of standard software shows a random pattern. There is no significant preference on any one particular type of software. This shows that there is no single software that can cater for the needs of every company, 59% uses Microsoft Windows as their operating system.

This study also show that small and medium companies rate the features of the system, stressing on the ease of use of the software as their main criteria of selection. One important finding is that small and medium companies do not rate cost as the most important factor, but rather on the features of the software itself. 66% of them provide training for their staff upon implementation and 59% have multi-users for the system. 72.1% of them do not have internal staffs who are capable of fixing problems that might arise due to the system. Finally, small and medium companies rate the main impact of computerised accounting system on their performance as easier data retrieval, as compared to the manual accounting system.