

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

5.1 General conclusions

The selected sample fell in the category of small and medium companies based on employee size. 97.7% of respondent uses computerised accounting system. This shows that computerised accounting system is widely used, even for local small and medium companies. In terms of usage, most of them will opt for a standard software which costs between RM1000 to RM20000.

Within the standard software usage, there is a random pattern in software usage. This shows that there is no significant preference for any one particular type of standard software by small and medium companies. This also shows that there is no single software that can cater for the needs of every company.

In terms of customised accounting software, the findings in this study show a preference for Microsoft Windows as its operating system with an allocated budget between RM5000-20000 range. Windows based applications are found to be more popular, as compared to DOS based applications.

5.2 Recommendations to small and medium companies

From the Literature, small and medium companies must do the necessary research when they are contemplating using a computerised accounting system. They must keep in mind the several steps in implementing such system. When selecting the system, small and medium companies must realise that there are many types of system and software available in the market. Their research will help them to identify the best combination of hardware and software that suits their needs. This includes the requirements that they want out of the computerised system. One important point from the

research results is that small and medium companies should not imitate their competitors in terms of automating their accounting system.

Having tested and confirmed the suitability, small and medium companies can then implement the computerised accounting system. They must note that the system needs some form of maintenance. With lesser resources to spend, small and medium companies rely almost entirely on their vendors for such service (based on the research results). They must train their staff to handle and use the system, and not depend on a single user. All data must be backed up whenever a computerised system is used.

Finally, small and medium companies need to assess or measure the impact of the system on their company as a whole. They will then know whether their investment into the computerised accounting system is beneficial to the company, just like any other investments done.

5.3 Limitations of study

This research only covers small and medium companies listed in the Malaysia Online web site. The number of companies selected and follow up e-mail on them is very much governed by time and budget constraints.

In addition, data is collected based only on self-administered questionnaire. The responses to the questionnaire are based on Likert scale measurement and not many open-ended questions are posed. This may subject the research to some bias, since the variables are pre-selected.

This research only managed to get 47 respondents out of the 250 questionnaires distributed by mail. The usable response is only 44, yielding a response rate of only 17.6%, although a summary report is promised in order to enhance the number of responses.

Finally, the researcher faces difficulties in getting co-operation from the respondents. Despite being assured that this research is purely of academic interest only, many of the respondents are reluctant to disclose information about their businesses, especially when it touched on their financial position. Instead they marked their financial positioning such that it made them look as if they are large companies. The only data that they are willing to reveal is their employee size.

5.4 Suggestions for further work

One of the major shortcomings in research involving private sector participation in most of the small and medium companies is their reluctance to disclose information about their businesses. This is especially prevalent when information is asked on their financial standings. It is proven in this study where this type of information is asked. Small and medium companies should support fully these types of studies so that effective benchmarking can be done by other small and medium companies contemplating in automating their accounting system.

In view of the various limitations in this study, it is proposed that similar studies in future should use a national sample covering the whole of Malaysia, instead of only those available in the web site. This will increase the diversity of the business of the selected sample, instead of concentrating on manufacturing-based companies as in the case of this study.

Many other variables that affect computerised accounting systems usage in small and medium companies should be included. The questionnaire can be expanded to include more corresponding variables. In addition, follow up interviews with the heads of some of the companies or their Accounting heads should be held in order to improve the results of the study. A direct one to one interviews can yield case study based findings. This would be more conclusive than questionnaire survey results.