

Accountants' Perception of Internal Control Problems Associated with the Use of Computerized Accounting Systems: Evidence from Sri Lanka

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Today most of companies depend upon the computerized accounting systems and these systems have more complex in meeting information needs. Due to the enhancement of business complexity in recent decades, companies are facing internal control problems associated with the use of computers and computer related systems. The main purpose of this study is to examine the accountants' perception of internal control problems associated with the use of computerized accounting systems exist. For this study, the main instrument of data collection was the questionnaire. Data is collected from 84 accountants in selected companies covering different types of industries and Descriptive statistics such as frequency distributions, percentage distribution of responses, means, cross tabulation and ANOVA were used to analyze the data. The results indicate that there are internal control problems exist with the use of computerized accounting system in Sri Lankan companies. The major important problems are Unfamiliar user may enter incorrect data, Great potential for error by employees as a result of insufficient knowledge about the system ,Great speed of computers can be manipulated to the advantage of users, New sources and potential for errors are likely to arise in the: Hardware and software, Duties are concentrated within the computer (i.e. no separation of duties as in the manual system), Information can be changed without physical traces, concentrated information is easy to steal and Electronic information is easy to lose, Employees, customers and other users trust the computer output .However, they perceive that certain control procedures can be undertaken to overcome them such as authorized access to computers, Proper system design, Use physical controls and proper authorization, Use backup copies, only authorized people should have access to the records, Use physical control and cross-check and Use control totals to check computer results .It was found that the problems in the storage level are most frequently occurred internal control issues.

Keywords: Computerized accounting systems, Accountants' perception, Internal controls