

# Evaluating the Intention to use Accounting Information Systems by Small and Medium Sized Entrepreneurs

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## Abstract

When it comes to the usage or intention to use new technology any organization including small and medium sized ones, there are many factors influencing such decision. Despite the its various benefits that an organization can enjoy once it would have implemented an accounting system, the intention to use such systems is still very less in Sri Lankan context. This study deployed quantitative study based on questionnaire survey. Statistical analysis were run to find out what factors would influence small and medium sized entrepreneurs in their intention to use these systems, and delineated that Performance Expectancy, Effort Expectancy, Social Influence and Facilitating Conditions had significant influence.

**Keywords:** Accounting Information Systems, Small and Medium Sized Entrepreneurs, Sri Lanka

## 1. INTRODUCTION

In this new era of technological advancement, the role of computerized accounting information systems (AISs) such as Sage, Tally, Pastel, SAP, Smart stream, Great planes is of paramount importance in managing an organization and implementing internal control systems. AISs allows a company to manage its business with potential benefits of improved process flow, reduced inventories, better data analysis, better customer service, and improved profit margins (Fan and Fang, 2006). Considering the benefits mentioned above, it is easy to see why AISs are accepted to be one of the most significant developments in the world and also the most accepted standard business software.

The development of SMEs has never gained so much attention before. Presently, the challenges and difficulties of adopting information technology become the bottleneck of the development of SMEs. This is due to the fact that most AISs available on the market are beyond the reach of many SMEs, due to resource scarcity caused by lack of financial assistance. Wang (2004) further asserts that many SMEs either do not have sufficient resources or are not willing to commit a huge fraction of their resources due to the long implementation times and high fees associated with AISs More so, lack of organizational preparation of SMEs, caused by the low extent of formalization of people's roles and responsibilities that is expressed by with their continuous re-shuffle and consequently it becomes difficult to adopt AISs (Motwani et al., 2002). Also most AISs vendors provide complex information systems that are beyond the needs of SMEs coupled with the limited expertise in information technology and the opportunity to adopt a process-oriented view of the business tends to influence, AISs adoption by SMEs (Levy and Powell, 2000). Information Technology is changing dynamically. The technology is changed itself and makes the others to be changed. . Thus, accounting information system is an independent variable in this research.

Small and Medium Sized Enterprises (SME) play an important role in economic development of a country. Several theories elaborate on connection between information technology, economic development and social change. Almost all agree on the importance of information and communication technology adoption in SME, while the importance of SME as engines to economic growth is well acknowledged worldwide. Information technology, particularly the Internet is having a significant impact on the operations of SME and it is claimed to be essential for the survival and growth of nations' economies in general and SME in particular.

IT adoption is a significant subject matter of study in numerous areas comprising small and medium enterprises (SMEs). In order to describe the process of information technology (IT) adoption, it is essential to identify and categorize factors, drivers, enablers and barriers entangled in IT adoption.

## 2. LITERATURE REVIEW

An accounting information system collects and process transaction data and communicates the financial information to interested parties. There are many types of systems and they vary widely. A number of factors shape these systems such as the type of business, the size of the business, the volume of data, the type of data management needs, and other factors.

Information Technology Adoption

Many researchers have studied the information technology adoption in small & medium enterprises. Their research findings also vary. Some of which are found to be very interesting and useful for my present study. "Review of

IT/IS Adoption and Decision-Making Behavior in Small Businesses” from this article findings are mentioned here under.

As the network technology field develops rapidly, the IT adoption decision has extended from traditional information systems (accounting information systems, inventory management systems, etc.) to systems built using Internet technologies such as e-commerce systems. E-commerce applications in small businesses have huge potential; thus, more and more researches are paying attention to the technology adoption behavior of small businesses.

Thus, for emerging Internet technologies such as external environmental factors have more influence on IT/IS adoption in organizations. Therefore, the IT/IS adoption decision should concentrate more on the external factors such as environment and organization. Furthermore, future studies should be extended to the mutual relationships among providers, customers, and producers in the whole supply chain.

### **Small and Medium Sized Enterprises in Sri Lanka**

Small and Medium Sized Enterprises (SMEs) make up a large part of Sri Lanka's economy, accounting for 80 per cent of all businesses. These are found in all sectors of the economy, primary, secondary and tertiary and provide employment for persons of different skills, skilled, semi-skilled and unskilled. There are SMEs in the agri-business sector engaged in growing spices, fruits and vegetables and in the manufacturing sector engaged in numerous industrial activities accounting for about 20 percent of industrial establishments. In the service sector SMEs accounts for more than 90 percent of business establishments. SMEs are an essential source of employment opportunities and are estimated to contribute about 35 percent of employment. The SMEs play an important role in promoting inclusive growth. The focus on SMEs in policy discussions emanates also from their role in developing entrepreneurial skills, innovation and promoting economic growth. These are also seen as useful in promoting social cohesion. It is therefore considered essential that the environment these SMEs operate in be improved.

Small and Medium Enterprises (SMEs) play a pivotal role in the socio economic development and poverty reduction process in Sri Lankan economy in terms of employment generation, contribution to the GDP, equitable distribution of income, balancing regional development, lowering transaction cost, embarking on innovations and stimulating other economic activities. According to estimates of the Sri Lanka Industry Survey of 2008, there are over 18,000 companies operating in the country of which about 91 per cent are SMEs (World Bank, 2013). SMEs are critical to modernization and economic growth as the country is emerging from 30 years of terrorism which brings new opportunities for the country's economic growth and development. The small and medium enterprise (SME) segment is the key segment to fuel economic growth, create employment, improve productivity and thereby contribute immensely to the GDP growth of the country (Jayewardene, 2013). Small and medium enterprises (SMEs) have been identified as an important strategic sector for promoting growth and social development of Sri Lanka. Over the years, SMEs have gained wide recognition as a major source of employment, income generation, poverty alleviation and regional development. The SMEs cover broad areas of economic activity such as agriculture, mining, manufacturing, construction and service sector industries (Takayuki, 2013).

As in most developing countries, Sri Lanka too, has a majority portion of population living in rural areas which is estimated to be 84 percent (World Bank, 2012) of the country's total population. The small industries in the rural areas are the major source of employment and production of food and, therefore, the Sri Lankan villagers' livelihood. So, almost all the governments that came to power since independence, seem to have understood the great need for developing this vital sector. According to the Central Bank of Sri Lanka (1998), the cottage and Small Scale Industries (CSSI) sector plays an important role in economic development through creation of employment opportunities, the mobilization of domestic savings, poverty alleviation, income distribution, regional development, training of workers and entrepreneurs, creating an economic environment in which large firms flourish and contribute to export earnings. A well-functioning SME sector can take the lead in generating jobs and economic growth while raising income levels for a large segment of Sri Lanka's population. To achieve this, an integrated strategy is needed to overcome a wide array of issues and constraints comprising inadequacies in management, limited access to finance and modern technology, and impediments in the regulatory and incentive framework.

### **3. THEORETICAL FRAMEWORK AND HYPOTHESES**

Theoretical framework also referred to as the research model or the conceptual framework is a collection of theories and models derived from the literature review. The theoretical framework shows how the researcher theorizes the relationships among the factors identified to be important to the problem thereby helps us hypothesize and test such relationships to enhance our understanding of those factors.

The Literature Review of this study concentrated on technology adoption models and this has supported the development of theoretical framework for this study. Those models have been used by researchers over decades, especially in the area of Information Systems.

This study will make use of the UTAUT model devised by Venkatesh et al. (2003). This research is

proposing an amendment in the UTAUT model originally proposed by Venkatesh et al. (2003) in order to fit it to the SME's intention to use AIS context. According to the amended model, it is hypothesized that Performance Expectancy, Effort Expectancy, Social Influence and Facilitating Conditions are significantly influencing the Behavioral Intention of the SME's.

### **Performance Expectancy**

Performance expectancy is "The degree to which an individual believes that using the system will help him or her to attain gains in job performance". Five factors from previous models helped in formation of performance expectancy variable consisting of perceived usefulness-"The degree to which a person believes that using a particular system would enhance his or her job performance" (technology acceptance models), external motivation-The perception that users want to perform an activity "because it is perceived to be instrumental in achieving valued outcomes that are distinct from the activity itself, such as improved job performance, pay, or promotions" (Davis et al., 1992, p. 1112). Perceived usefulness, perceived ease of use and subjective norm are examples of extrinsic motivation. (motivational model), job fit- "The extent to which an individual believes that using a technology can enhance the performance of his or her job" (PC utilization model), relative advantages-"The degree to which an innovation is seen as better than the idea, program, or product it replaces" (innovation diffusion theory) and outcome expectations- "Personal and performance-related ones, are major cognitive factors in influencing users' behavior" (Compeau and Higgins 1995). According to Venkatesh et al. (2003), Compeau et al. (1995) and Davis (1992), the PE is a strong factor influencing the intention to use IT.

### **Effort Expectancy**

Effort expectancy is "The extent of convenience perceived for using system". Similar constructs in other models and theories from semantic viewpoints are: perceived ease of use-"The degree to which a person believes that using a system would be free of effort" (technology acceptance model), complexity-"The degree to which an innovation is perceived as relatively difficult to understand and use" (PC utilization model and innovation diffusion theory) and ease of use-The degree to which using an innovation is perceived as being difficult to use" (Venkatesh et al., 2003).

### **Social Influence**

Social influence is "The degree to which an individual perceives that other ones are important to him/her in using new system". Constructs of subjective norms-"This refers to the belief about whether most people approve or disapprove of the behavior. It relates to a person's beliefs about whether peers and people of importance to the person think he or she should engage in the behavior" (Rational Action theory, Planned Behavior theory, decomposed Planned Behavior theory and Technology Acceptance Model 2), social factors-"individual's internalization of the reference group's subjective culture, and specific interpersonal agreements that the individual has made with others, in specific social situations" (PC utilization model) and image- "The degree to which use of an innovation is perceived to enhance one's image or status in one's social system" (Venkatesh et al., 2003) were influential in formation of this variable.

### **Facilitating Conditions**

Variable of facilitating conditions "Technical and organizational infrastructure required to use intended system are available". This definition covers Perceived behavioral control -"This refers to a person's perception of the ease or difficulty of performing the behavior of interest. Perceived behavioral control varies across situations and actions, which results in a person having varying perceptions of behavioral control depending on the situation. This construct of the theory was added

later, and created the shift from the Theory of Reasoned Action to the Theory of Planned Behavior" (planned behavior theory), facilitating conditions-"Provision of support for users of PCs may be one type of facilitating condition that can influence system utilization" (PC utilization model) and Compatibility-"The degree to which an innovation is perceived as being consistent with existing values, needs, and experiences of potential adopters".

### **Behavioral Intention**

The degree to which a "Person has formulated conscious plans to perform or not perform some specified future behavior". It is the SME's intention to use of the AIS in the future.

The review of literature on intention to use AIS suggests that variables UTAUT model offers a comprehensive theoretical framework to examine SME's intention to use AIS. The amended UTAUT model proposed for the evaluation of SME's intention to use AIS within Ampara District of Sri Lanka is shown in Figure 1.

From the aforementioned theory and model, the following hypotheses have been developed:

- H1:** There will be a positively significant relationship between Performance Expectancy and Behavioral Intention to use AIS.
- H2:** There will be a positively significant relationship between Effort Expectancy and Behavioral Intention to use AIS.
- H3:** There will be a positively significant relationship between Social Influence and Behavioral Intention to use

AIS.

**H4:** There will be a positively significant relationship between Facilitating Condition and Behavioral Intention to use AIS.

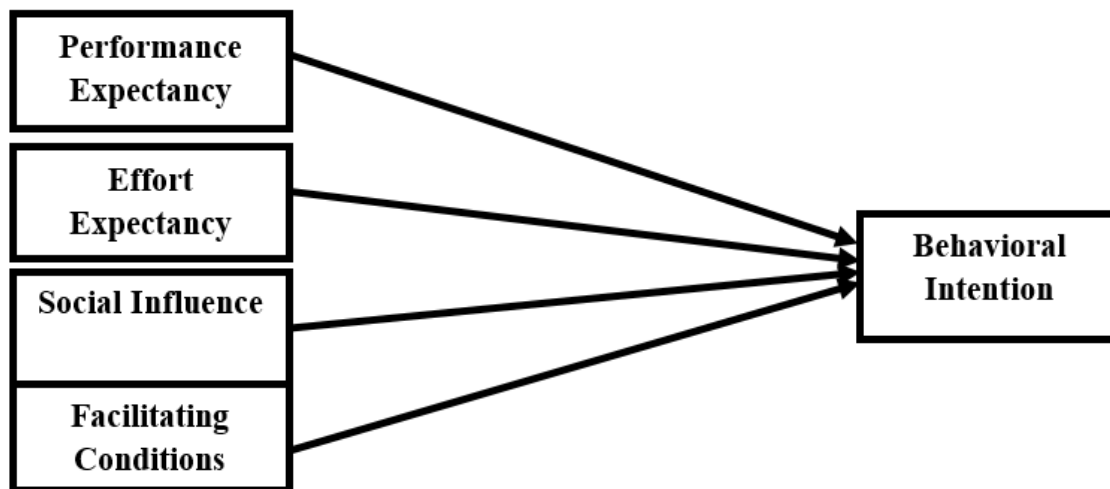


Figure 1 Conceptual Framework

In brief, the four independent variables include Performance Expectancy, Effort Expectancy, Social Influence, and Facilitating Conditions. Those variables were determined to be key determinants of the dependent variable of Behavioral Intention.

#### 4. RESEARCH METHOD

The research study employed is quantitative study based on questionnaire survey. According to Bernard and Bernard (2012), a quantitative analysis allows for the classifying of features, counting them, and constructing more complex statistical models in an attempt to explain what is observed, findings can be generalized to a larger population, since quantitative data is in numerical form it allows researchers to analyze more easily, provides high level of accuracy and also allows to present analysis graphically.

Questionnaires are an efficient data collection mechanism when the researcher knows exactly what is required and how to measure the variables of interest (Sekaran and Bougie, 2010).

The most appropriate applications for surveying are those where entrepreneurs are uniquely qualified to provide the desired information. In the case of a questionnaire based survey the unit of analysis is an entrepreneur. This study focuses the unit of analysis as an entrepreneur; an entrepreneur's who use AIS and they are expected to provide information by responding to the survey questionnaire.

#### 5. DATA ANALYSIS AND FINDINGS

The data were examined for outliers and were coded and scored appropriately. The initial analysis included an examination of descriptive statistics of demographic variables with frequencies and percentages. For this analysis work MS Excel 2010, SPSS 20 were used.

Reliability tests were conducted to see the consistency of data, factor analyses were performed with a separate analysis of each of the independent and dependent variables. The resultant variables of the factor analysis were used for regression tests; multiple linear regressions. This regression test involved calculating and comparing to gain insight into the nature of the relationship between independent variables and dependent variable.

##### Response Rate and Respondents' Profile

The survey questionnaire was distributed in printed hardcopies. Printed copies were distributed to 280 entrepreneurs. A total of 280 responses, were received out of which 260 were printed responses. Hence making 260 responses usable. The demographic backgrounds of the 260 usable respondents are as follows:

##### Instruments Reliability

The number of cases included for the test was 260. The Performance Expectancy construct scored the alpha value of 0.921. The Effort Expectancy construct scored a value of 0.753. The Social Influence construct scored an alpha value of 0.913. Facilitating Conditions scored alpha value of 0.935. The Behavioral Intention construct earned 0.746. The Cronbach's Alpha value for each construct in this research is shown in Table 1.

Table 1: Reliability of Measurements

Scale	No of Items	Cronbach's Alpha	Type
Performance Expectancy	6	.921	Excellent Reliability
Effort Expectancy	7	.753	High Reliability
Social Influence	3	.913	Excellent Reliability
Facilitating Conditions	7	.935	Excellent Reliability
Behavioral Intention	3	.746	High Reliability

These values show that the constructs achieved between Excellent and High Reliabilities, according to Hinton's cut-off points of reliability. The high Cronbach's alpha values means that constructs were internally consistent and the reliability of the same construct is measured (Field, 2009) and the alpha values indicated that the study's instrument and data were reliable.

### Regression Analysis

The purpose of regression analysis is to analyze relationships among variables and measure the strength of the linear relationship between the variables. According to Swanson and Holton (2005), it is the most popular statistical technique for hypothesis testing and is used to measure the naturally occurring levels of the variables to predict the score on the dependent variable. The advantage of this regression analysis method often cited is its ability to test and reveal relationships between the dependent variable and independent variables with different levels of significance. Regression analysis has been widely used in IT field studies, such as Davis (1989) and Venkatesh, et al. (2003), and the same is used to address the research questions about factors that influence entrepreneurs' intention to use AIS.

### Examining the Relationship between Performance Expectancy and Behavioral Intention

In an attempt to examine the relationship between Performance Expectancy and Behavioral Intention, this study performed correlation and regression analysis.

Table 2: Correlation between PE and BI

		BI	PE
BI	Pearson Correlation Sig. (2-tailed)	1	.805** .000
PE	Pearson Correlation Sig. (2-tailed)	.805** .000	1

\*\* Correlation is significant at the 0.01 level. (2-tailed).

According to the Table 2, there was a significantly strong correlation between Performance Expectancy and Behavioral Intention,  $r = 0.80$ ,  $p < 0.001$ .

Table 3: PE and BI: Model Summary

Model	R	R Square	Change Statistics						
			Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	Df1	df2	Sig. F Change
1	.805	.647	.638	.60150	.647	69.800	1	38	.000

a. Predictors: (constant), PE

The coefficient of determination of the contribution of Performance Expectancy to Behavioral Intention, the R<sup>2</sup>, value from Table 3 which is 0.647 (Adjusted R<sup>2</sup> .638) indicates a shared variation of about 65% between Performance Expectancy data and Behavioral Intention data. That is, approximately 65% of the variances in Behavioral Intention can be accounted for by knowledge of Performance Expectancy.

Table 4: Performance Expectancy and Behavioral Intention: ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	25.254	1	25.254	69.800	.000
Residual	13.748	38	.362		
Total	39.002	39			

a. Predictors: (Constant), PE, b. Dependent Variable: BI

The Performance Expectancy component data (Table 4) shows an ANOVA significance of .001 or one chance in 1000 of Type-I error (incorrect rejection of null hypothesis), implying that the data between Performance Expectancy and the Behavioral Intention are strongly correlated and there is a good model.

Table 5: Performance Expectancy and Behavioral Intention: Coefficients

Unstandardized Coefficient			Standardized Coefficient		
Model	B	Std. Error	Beta	t	Sig
1 (Constant)	4.410	.536		8.225	.000
PE	2.791	.334	.805	8.355	.000

a. Dependent Variable: BI

The Beta value of 0.805 means a positive correlation; with the Intention factor increasing by 2.791 with a unit of increase in the Performance Expectancy factor (Table 5). The Performance Expectancy analysis results show a significance of 0.000, indicating a probability of less than one in 1000 of Type I error, or almost no chance of getting these values by random chance, showing a strong correlation between Performance Expectancy and Behavioral Intention.

**Examining the Relationship between Effort Expectancy and Behavioral Intention**

To realize the relationship between Effort Expectancy and Behavioral Intention, this study performed correlation and regression analysis. According to the Table 6, there was a significantly strong correlation between Effort Expectancy and Behavioral Intention,  $r = .717$ ,  $p < 0.001$ .

Table 6: Correlation between EE and BI

		BI	EE
BI	Pearson Correlation Sig. (2-tailed)	1	.717** .000
EE	Pearson Correlation Sig. (2-tailed)	.717** .000	1

\*\* Correlation is significant at the 0.01 level. (2-tailed).

Table 7: EE and BI: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	Df1	df2	Sig. F Change
1	.717	.514	.501	.70619	.514	40.206	1	38	.000

a. Predictors: (constant), EE

The coefficient of determination of the contribution of Effort Expectancy to Behavioral Intention, the R2, value from Table 7 which is 0.514 (Adjusted R2 .501) indicates a shared variation of about 51% between Performance Expectancy data and Behavioral Intention data. That is, approximately 51% of the variances in Behavioral Intention can be accounted for by knowledge of Effort Expectancy.

Table 8: Effort Expectancy and Behavioral Intention: ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	20.051	1	20.051	40.206	.000
Residual	18.951	38	.499		
Total	39.002	39			

a. Predictors: (Constant), EE, b. Dependent Variable: BI

The Effort Expectancy component data (Table 8) shows an ANOVA significance of 0.001 or one chance in 1000 of Type-I error (incorrect rejection of null hypothesis), implying that the data between Effort Expectancy and the Behavioral Intention are strongly correlated and there is a good model.

Table 9: Effort Expectancy and Behavioral Intention: Coefficient

Unstandardized Coefficient			Standardized Coefficient		
Model	B	Std. Error	Beta	t	Sig
1 (Constant)	.003	.112		.025	.980
EE	1.052	.166	.717	6.341	.000

a. Dependent Variable: BI

The Beta value of 0.717 means a positive correlation; with the Intention factor increasing by approximately 1.052 with a unit of increase in the Effort Expectancy factor (Table 9).

The Effort Expectancy analysis results shows a significance of 0.000, indicating a probability of less than one in 1000 of Type I error, or almost no chance of getting these values by random chance, showing a strong correlation between Effort Expectancy and Behavioral Intention however the Constant is insignificant since it earned 0.980 as significance which means  $p > 0.05$ .

### Examining the Relationship between Social Influence and Behavioral Intention

To realize the relationship between Social Influence and Behavioral Intention, this study performed correlation and regression analysis.

Table 10: Correlation between SI and BI

		BI	SI
BI	Pearson Correlation Sig. (2-tailed)	1	.879** .000
SI	Pearson Correlation Sig. (2-tailed)	.879** .000	1

\*\* Correlation is significant at the 0.01 level. (2-tailed).

According to the Table 10, there was a significantly strong correlation between Social Influence and Behavioral Intention,  $r = .879$ ,  $p < 0.001$ .

Table 11: Social Influence and Behavioral Intention: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	Df1	df2	Sig. F Change
1	.879	.774	.768	.48214	.774	129.782	1	38	.000

a. Predictors: (constant), SI

The coefficient of determination of the contribution of Social Influence to Behavioral Intention, the  $R^2$  value from Table 11 which was 0.774 (Adjusted  $R^2$  .768) indicated a shared variation of about 77% between Social Influence data and Behavioral Intention data. That is, approximately 77% of the variances in Behavioral Intention can be accounted for by knowledge of Social Influence.

Table 12: Social Influence and Behavioral Intention: ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	30.169	1	30.169	129.782	.000
Residual	8.833	38	.232		
Total	39.002	39			

a. Predictors: (Constant), SI, b. Dependent Variable: BI

The Social Influence component data (Table 12) shows an ANOVA significance of 0.001 or one chance in 1000 of Type-I error (incorrect rejection of null hypothesis), implying that the data between Social Influence and the Behavioral Intention are strongly correlated and there is a good model.

Table 13: Social Influence and Behavioral Intention: Coefficient

Unstandardized Coefficient			Standardized Coefficient		
Model	B	Std. Error	Beta	t	Sig.
1 (Constant)	3.006	.275		10.950	.000
SI	2.015	.177	.879	11.392	.000

a. Dependent Variable: BI

The Beta value of 0.879 means a positive correlation; with the Intention factor increasing by approximately 2.015 with a unit of increase in the Social Influence factor (Table 13). The Social Influence analysis results show a significance of 0.000, indicating a probability of less than one in 1000 of Type I error, or almost no chance of getting these values by random chance, showing a strong correlation between Social Influence and Behavioral.

### Examining the Relationship between Facilitating Conditions and Behavioral Intention

To realize the relationship between Social Influence and Behavioral Intention, this study performed correlation and regression analysis.

Table 14: Correlation between FC and BI

		BI	FC
BI	Pearson Correlation Sig. (2-tailed)	1	.790** .000
FC	Pearson Correlation Sig. (2-tailed)	.790** .000	1

\*\* Correlation is significant at the 0.01 level. (2-tailed).

According to the Table 14, there was a significantly strong correlation between Facilitating Conditions and Behavioral Intention,  $r = .790$ ,  $p < 0.001$ .

Table 15: Facilitating Conditions and Behavioral Intention: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	Df1	df2	Sig. F Change
1	.790	.623	.613	.62172	.623	62.9001	1	38	.000

a. Predictors: (constant), FC

The coefficient of determination of the contribution of Facilitating Conditions to Behavioral Intention, the R<sup>2</sup>, value from Table 15 which was 0.623 (Adjusted R<sup>2</sup> .613) indicated a shared variation of about 61% between Social Influence data and Behavioral Intention data. That is, approximately 61% of the variances in Behavioral Intention can be accounted for by knowledge of Social Influence.

Table 16: Facilitating Conditions and Behavioral Intention: ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	24.314	1	24.314	62.901	.000
Residual	14.688	38	.387		
Total	39.002	39			

a. Predictors: (Constant), FC, b. Dependent Variable: BI

The Facilitating Conditions component data (Table 16) shows an ANOVA significance of 0.001 or one chance in 1000 of Type-I error (incorrect rejection of null hypothesis), implying that the data between Social Influence and the Behavioral Intention are strongly correlated and there is a good model.

Table 17: Facilitating Conditions and Behavioral Intention: Coefficient

Unstandardized Coefficient			Standardized Coefficient		
Model	B	Std. Error	Beta	t	Sig.
1 (Constant)	5.482	.698		7.854	.000
FC	3.946	.498	.790	7.931	.000

a. Dependent Variable: BI

The Beta value of 0.790 means a positive correlation; with the Intention factor increasing by approximately 0.790 with a unit of increase in the Facilitating Conditions factor (Table 17). The Facilitating Conditions analysis results show a significance of 0.000, indicating a probability of less than one in 1000 of Type I error, or almost no chance of getting these values by random chance, showing a strong correlation between Facilitating Conditions and Behavioral Intention.

### Response to Hypotheses

The Table 18 summarizes the numbers of the hypotheses developed and shows whether these research hypotheses are supported or not. The table demonstrates a total of hypotheses that were tested to examine whether the independent variables significantly explained the dependent variables.

Table 18: Summarized Hypotheses

No	Research Hypotheses	Results
H1	There will be a positively significant relationship between Performance Expectancy and Behavioral Intention to use AIS.	Supported
H2	There will be a positively significant relationship between Effort Expectancy and Behavioral Intention to use AIS.	Supported
H3	There will be a positively significant relationship between Social Influence and Behavioral Intention to use AIS.	Supported
H4	There will be a positively significant relationship between Facilitating Conditions and Behavioral Intention to use AIS.	Supported

## 6. CONCLUSIONS AND RECCOMENDATIONS

### Conclusions

Performance Expectancy consists of perceived usefulness (TAM/TAM2 and C-TAM-TPB), extrinsic motivation (MM), job-fit (MPCU), relative advantage (IDT) and outcomes expectations (SCT), and these are employed as a single dimensional construct which is directly related to Behavioral Intention. Findings from this study provide evidence that the performance expectancy factor had significant influence on the behavioral intention to intention to use AIS. The survey findings are consistent with the UTAUT model. This clearly suggests that if the entrepreneurs' realize the benefits in their performance gained from using AIS, more of them will adopt the system. Therefore, for AIS to be accepted by the entrepreneurs', it would be necessary to demonstrate the advantages and benefits they are likely to provide for entrepreneurs'.

If the effort expectancy factor toward AIS usage of Behavioral Intention factor is positive, then



entrepreneurs' are likely to perform computerized accounting system (Venkatesh et al., 2003). This theoretical assumption is confirmed in the survey findings that are obtained in this research which suggest that the Effort Expectancy factor has a significant positive influence on the Behavioral Intention to use computerized accounting information. The survey findings are consistent with the UTAUT model as well, which suggests that the presence of constraints might inhibit the Behavioral Intention to use computerized accounting information (Venkatesh et al., 2003). This also suggests that there is a need to equip entrepreneurs' with the skills to use computers, the internet, and the AIS. The statistically significant influence of effort expectancy suggests that entrepreneurs' are apt to use computerized accounting information when they are easy to use enabling them to have more time for other activities.

Awareness messages that are produced and gained via mass media, such as television and newspapers, are considered to have an effect that is likely to influence entrepreneurs' Intentions to use or refuse technology. In terms of this research, Social Influence has a positive influence on explaining entrepreneurs' Behavioral Intention to use computerized accounting system. This suggests that Social Influence becomes more significant and important when individuals have limited experience of information technology.

Facilitating Conditions is considered to be directly related to Usage Behavior (Venkatesh et al., 2003). The inclusion of the aspects of technological environment directly adds to this relation. Therefore, it is expected that if these Facilitating Conditions are perceived as high, then usage of AIS will be high. The findings of this study suggest that the Facilitating Conditions has significant influence on the Behavioral Intention to use computerized accounting system.

Venkatesh et al., (2003) suggest that Behavior Intention affects the technology usage significantly and positively and the finding of this study also is in agreement with that; any increase in PE, EE, SI and FC has a positive influence on the entrepreneurs' Behavioral Intention. This suggests that the necessary resources and information and continuous support need to be provided to encourage entrepreneurs' to use system that are compatible with their lifestyle.

#### **Recommendations**

AISs vendors should strive to provide custom made AISs packages that suit the needs and requirements of SMEs. Also the packages should be easy to use and affordable. More so AISs vendors should hold workshops with SMEs in order to educate them fully on the benefits of using AISs.

Government through the ministry of information and communication technology, should ensure that it provide easy access to computerized AISs through financing the purchasing of computerized AISs by SMEs by providing subsidies on those SMEs that purchase AISs.

More so government through the Ministry of Small to Medium Enterprise should provide collateral security to SMEs through providing financing of purchasing of initial assets of SMEs so that they may in turn use the assets as collateral assets to access loans from banks. Also SMEs should strive to employ qualified human resource personnel that are competent to use computerized AISs. This will make it easy to use AISs.

With respect to trying to introduce non-users of entrepreneurs' to a computerized accounting system, it may be useful to consider business entrepreneurs' those who are uninformed about the benefits of using a CAS. This lack of knowledge may be a further result of the deficiency in IT skills as reported by almost half of the non-user entrepreneurs'. Government should set up training organizations offers a computerized accounting system specific skills development program targeted to those involved in small businesses, to avoid reluctance among retailers about the effectiveness in computer self-efficacy.

#### **7. SUMMARY**

This research study focused on the main factors influencing entrepreneurs' intention to use AIS. After reviewing existing literatures on information technology adoption, the researcher opted the UTAUT model and removed gender, age, experience, voluntariness of use and use behavior. The researcher aimed at answering research questions and testing the credibility of hypotheses brought about from the model. Entire populations' entrepreneurs' were selected as the population of this study and sample size was calculated properly for collecting data. Questionnaire was developed. Reliability test was carried out to see the internal consistency of the data. The collected data were analyzed using SPSS 20, and Excel 2010 was also used at times. Correlation and regressions were calculated to see the underlying relationships among the constructs and their impacts.

After analyzing the data it was found that Performance Expectancy, Effort Expectancy, Social Influence and Facilitating Conditions had influence on entrepreneurs' intention to use AIS.

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