

**THE ACCOUNTING INFORMATION SYSTEM AND THE PERFORMANCE OF
THE ORGANISATION: A CASE STUDY OF WORLD HEALTH
ORGANISATION IN KAMPALA UGANDA**

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**A RESEARCH REPORT SUBMITTED TO THE COLLEGE OF ECONOMICS
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JUNE, 2013

DECLARATION

I Ndyowawe Dickson hereby declare that the work presented on this proposal is original and that no study of the kind has been submitted for award of the degree in any university as a whole or in part except where acknowledged

Signature


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Date

23/04/2013
.....

APPROVAL

This research report has been prepared under my supervision and submitted to the college of economics and Management sciences for examination with my approval.

Signature


.....

Dr. George Stanley Kinyatta

(Supervisor)

Date

23/4/2013
.....

DEDICATION

To almighty God through his only begotten son our savior Lord Jesus Christ, my mother Bitarinyeba Jonah, my Brother in-law Bernard my brothers Bitarinyeba Erisa, Bitarinyeba Muheki, sisters, Nisiima, Eunice, Elizabeth, Annah, Aibembabazi, to Hon. Dr. Chris Baryomunsi parliamentary commissioner and all my friends, colleagues and relatives who encouraged and supported me throughout my study period both morally and financially Gob bless all of you.

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I am greatly extending my appreciation to God the Almighty who stood from the beginning of the study up to the end of it. My sincere gratitude also goes to all those individuals who contributed either directly or indirectly to the writing of this dissertation.

Special thanks to my dear supervisor Dr. George Stanley Kinyatta for the consistent generous time he extended to me for the completion of this dissertation.

I wish to further extend award of thanks to all my respondents both working with in world Health organization and those who do not work within the world Health Organization for their generous contributions without which this dissertation would have remained a dream and special recognition to the efforts of the chief Finance Officer.

My special gratitude and sincere thanks to mum Jonah, my brother Muheki, My sister Eunice, and Hon. Dr. Chris Baryomunsi for the support and contributions and sacrifice that they dearly extended to me.

May God the Almighty bless you all. Amen.

LIST OF ACRONYMS

AIS	-	Accounting Information System
WHO	-	World Health Organization
PAC	-	Public Accounts Committee
UN	-	United Nations

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ABSTRACT

The topic was based on the accounting information systems on the performance of world Health Organization. The objectives of the study were the level of accounting information system and world Health Organization in Kampala, the Uganda. Level of performance and world Health Organization in Kampala Uganda, to determine if there was a big difference in the level of accounting information system and performance of World Health Organization, and to determine if there was significant relationship between the level of accounting information system and the level of performance in world Health Organization. The research was carried out using different methods through instruments such as interviews, direct observation questionnaire, a sample size of 50 respondents was selected by the researcher from different departments out of the 50 respondents, 20 were men and 30 were female as there was gender equality within world Health Organization.

The findings of the study showed the presence of accounting information systems and its principles guiding its use in Kampala Town which had led to the average performance of world Health Organization in Kampala Town. There was evidence of accounting information systems promising on service delivery and to maximize contributions if principles were adopted by various development partners such as donor staff, local government authorities, employees and the community at large. the researcher found out shortage of qualified staffs, it found out the local communities were not attending the meetings as result the was shortage of proper dissemination of information in regard whether the organization is playing its social responsibility to the community or not, the researcher found out hat there was problem of lack of monitoring and supervision by the technical staffs and limited proper delegations whenever the head of department were not around. The researcher recommends continuous monitoring of employees need to recruit well qualified staff carrying out either internal and external audits or checks, encouraging quarterly meetings so as to increase awareness and appreciation of the need to have accounting information system in place. Conclusively, it was evidenced that, accounting information systems had a lot of tremendous effect on the performance of world Health Organization in Kampala Town responded by over 73% of the respondents.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter shows the background, problem statement, purpose, objectives, research questions, hypothesis, scope and significance of the study.

1.1 Background to the Study

In the contemporary business environment there is a lot of competition in all aspects, such as customer satisfaction services delivery, quality of the product, profit maximization, and employee development in all departments such as production department, finance department, human resources department and marketing or sales department. To achieve greater results, something has to be put in place in order to regulate or guide or redirect the activities within the organization and that is accounting information systems.

According to Ulried, Celinas, and Allane Oram (1996) in their book "According Information Systems" third edition, accounting information system refers to specialized subsystem of the management information system (MIS) whose purpose is to collect, process and report information related to financial transactions.

They continued that, these systems are crucial for effective decision making to both the internal management and external user of the information like the auditor (internal Auditor) due to the increasing complexity of today's modern business and the growing need, for the accounting information system especially in the day to day running of the business entities like the united nations agencies in the global world of modernity to technology.

However according to David Mwindi (2005) in his book "Auditing" An Auditor refers to the professional who will carry out the independent examination who may be either an individuals who has established his own Auditing practices or can be a firm where two or more individuals come together to form a partnership. He continued to say that, the word 'Audit' when used will mean the independent review in to the quality of published accounting Information (PAI)

Beluerd F. Meedles (1993) in his book "principles of accounting" defines accounting information systems as collection and processing of data from transaction and events organizing them in a useful forms and communicating the results to decision makers and that a company or an organisation uses it to scope guard its assets, check the accuracy and reliabilities of its accounting data, hence promoting operations efficiency and adherence to accompany or organization policies.

In today's global technical world, an auditor who is an independent professional who carries out his independent examination of and expression of financial statements in order to draw a proper logical conclusion to base his opinion needed to have basic and wide knowledge on how to gain a better understanding of information constraint, measurements, limitation and potential expectation they explain from basic principles of accounting information system as detailed below.

Flexibility

This stated that accounting information system must be able to adjust or subject to change. This principle requires that an accounting information system must be able to adopt change in the company, business community, and needs of an auditor who makes logical decision for instance, technological advances, competitive pressure, consumer tastes, regulations and company's

activities also change. Therefore any system designed must be able to adopt to these changes.

Relevance

According to this principles, accounting information system reports only useful, understandable timely, and pertinent information for effective decision making. This means that, an information system is designed to capture data that make the difference in decision. An auditor must therefore be considered when Identifying relevant information they collected or given to them by the management of the organization.

Cost benefit

The cost benefit required that, benefits form activity in accounting information should weigh out the cost of that activity. The costs and benefits of activity such as reporting certain information impact the decision of an auditor.

However, decisions regarding other systems principles like control, relevant, flexibility and compatibility are also affected by the cash benefit principle.

Compatibility

According to this principle, the accounting information system is to conform to the organization's activities, personnel, structure and its unique characteristics.

This system must not be intrusive but must work in harmony with and be driven by the organization's objectives and vision. This is because most organization required only as simple information system.

Control

This principle required that an accounting information system to have internal controls, internal controls are the policies, procedures and methods or techniques allowing the mangers to control and monitor the entities activities.

This means management to assist in achieving the entity's set objectives and goals.

They include policies to direct operations towards common goals, procedures to ensure reliable financial reports and to achieve compliance with the laws and regulations. Therefore an organization which is orderly and efficiently run will be able to satisfy its suppliers, customers, use its productive facilities efficiently and above all, meet the needs of its employees for better than businesses which are disorderly and inefficient. An efficient organization will have good flow of information.

1.2 Statement of the problems

In Uganda 80% of people do not know how to use accounting information system which affects their performance. This problem of poor use of accounting information system which affects their performance. This problem of poor use of accounting information system is likely to result into unemployment, embezzlement of funds, low economic growth, low government revenue.

Many factors are responsible for the poor performance of organization in Uganda: poor training institutions, lack of determination by staffs themselves, low salaries, changes in the standards of accounting. While many students have investigated on causes of poor performance, no study has been conducted on accounting information system. This is why the researcher in this study opted to study on the relationship between accounting information system and performance of the organization.

1.3 Purpose

The purpose of this study was to describe the relationship between accounting information system and the performance of the World Health Organization in Kampala-Uganda.

1.4 Objectives

- i) To determine the profile of the respondents in terms of Gender, marital status, Age, education etc...
- ii) Determine the level of accounting information system and the performance in world health organization in Kampala-Uganda
- iii) To determine the level of performance in world health organization in Kampala-Uganda
- iv) To determine if there is big differences in the level of accounting information system and the performance in world healthy organization in Kampala Uganda
- v) To determine if there is significant relationship between the level of accounting information system and the level of performance in world health organization in Kampala Uganda.

1.5 Research questions

- i) What is the profile of world health organization in Kampala Uganda?
- ii) What is the level of accounting information system and performance in world health organization in Kampala Uganda?
- iii) What is the level of performance in world health organization in Kampala – Uganda?
- iv) Is there a significant relationship between accounting information system and performance in world health organization in Kampala Uganda?
- v) Is there a significant relationship between accounting information system and performance?

1.6 Hypothesis

There is no significant difference in level of accounting information system and level of performance in world health organization in Kampala Uganda.

There is no significant relationship between accounting information system and performance in world health organization in Kampala Uganda.

1.7 Scope

1.7.1 Content Scope

The researcher concentrated on the collection of data relating to the effects of accounting information systems on the performance of world health organization (WHO) Non government organization. It focused on how the proper use of accounting information system had affected the performance and how the misuse or inadequate can lead to the negative performance of united nations agency

1.7.2 Geographical scope

The research was carried in Kampala which is the capital city of Uganda. Because the researcher had been in Kampala and the information collection was simple to him because he is well acquainted with the area.

This study was limited to the level of accounting information systems in terms increase in use of it, and decrease in the use of accounting information system in world health organization in Kampala Uganda. Under performance it was limited to the level of performance in world health organization in Kampala Uganda.

17.3 Time Scope

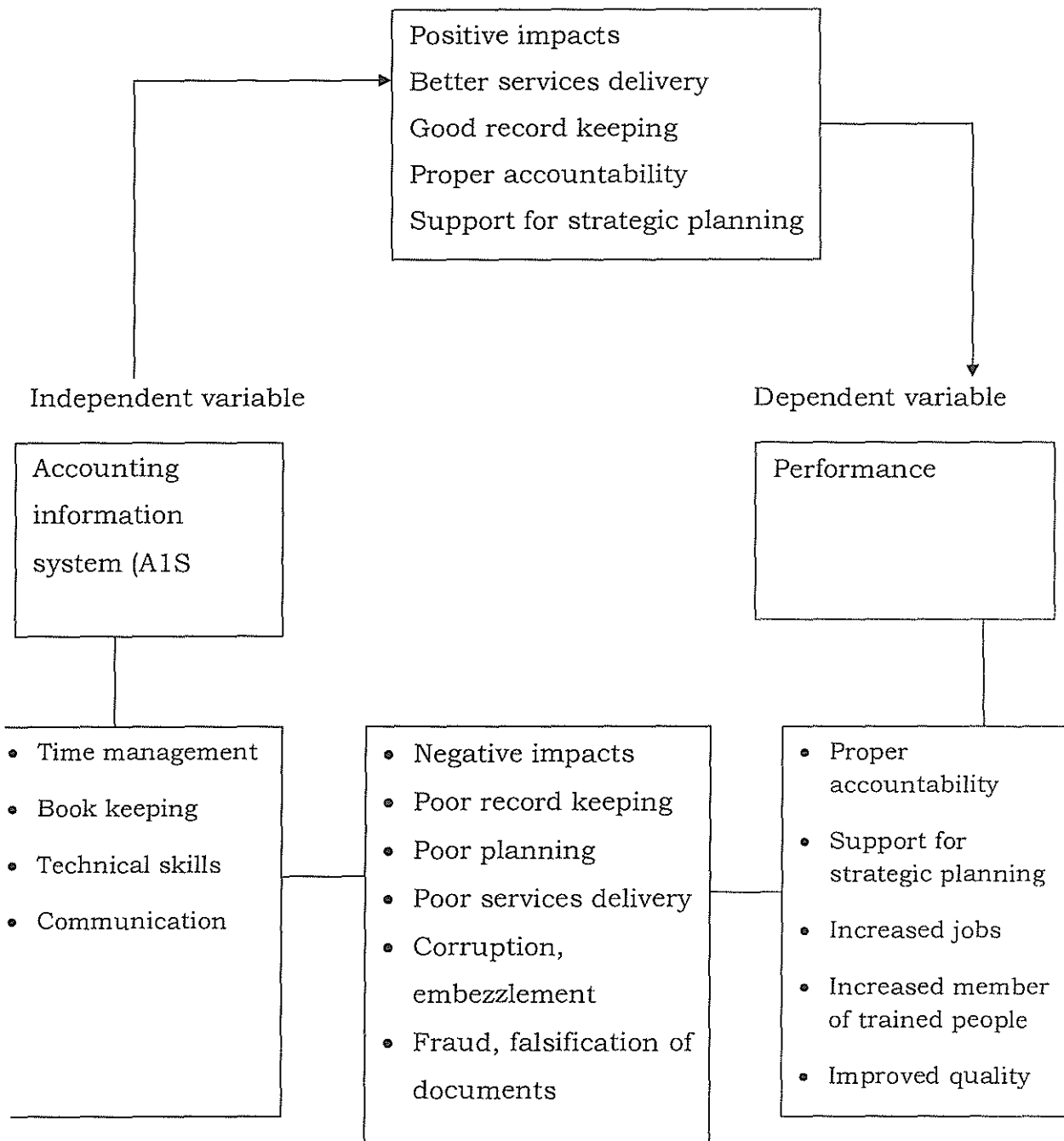
The researcher wrote the proposal between February and March 2013, after proposal writing, the researcher went ahead to collect information from the field and compiled it for presentation to his supervisor

1.8 Significance of the study

The primary beneficiary of this research was to be helpful for the management leaders/ administrators, the academicians, future researchers to identify the undone parts of the work and therefore, provide them with basic further research. It was to be also helpful for government, provide information to the donors of the world health organization.

1.9 conceptual frame works

Figure 1: conceptual framework



CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

According to Kermit D. Larson, John J. Wild and Barbara Chiappetta (2002) in their book *Fundamental Accounting Principles*, accounting information system refers to collection and processing of data from transactions and events organizing them in useful forms and communicating results to decision makers. Accounting information collects and process data from transactions under events organizing them in useful forms and communicating results to decision makers. Accounting information collects and process data from transaction and events, organizes them in useful forms and communicates the results to decision makers. They further say that, these systems are crucial for effective decision making to both internal and external users of the information due to increasing complexity of business and growing need for accounting information system.

This chapter therefore presents a review of literature on the top understudy. The first section is about the relationship between accounting information systems and the performance of other organization, the second section shows the major phases involved in the development of the accounting information systems and the third section will show the differential between computer hardware and accounting software and the principle methods of data processing.

2.2 Definition of concepts

Weygand and Kieso (2002) in their book *Accounting Principles* also pointed out accounting information systems to be consisting of plans of the organization and all the related methods and measures that are adopted within the business to safeguard its assets from employee theft, robbery and unauthorized use.

They added that accounting information system enhance the accuracy and reliability of its accounting records by reducing the risks of errors (unintentional mistakes) and irregularities (unintentional mistakes and misrepresentation) in the accounting process.

Belverd E. Needle (1993) in his book principles of accounting defined accounting information systems as collection and processing of data from transactions and events, organizing them in useful forms, and communicating results to decision makers and that accompany or an organization uses it to safe guard its assets, check the accuracy and reliability of its accounting data, promote operational efficiency and adherence to company policies. According to him, it also includes the controls that deal with operating efficiency and adherence to management policies. In other words, management wants not only to safe guard assets and has reliable records but also to remain in efficient operation that follows the policies. Kerry Thomas (1995) defines performance as the way in which an activity is accomplished in a particular level or standards to which a task is to be accomplished, adopted carried out or achieved within the working environment.

Control comprises of those elements of an organization (including its resources, systems, procedures processes, culture, structure and tasks) that takes together support people in the achievement of the organizational objectives or reasons of existence.

2.3 Relationship between accounting information systems and performance of world health organization (WHO)

Jerry waygand & Donald E. Kieso in their book, stress that poor or ill-equipped accounting information systems lead to dishonesty in the organization. Their book accounting principles quotes an example of a computer operator who embezzled \$ 21 million from wells Fargo Bank for over

two year period and was reported in the financial press. Also, a shipping clerk of 286 years of service reported to have shipped \$125000 of the merchandise to himself. It therefore necessitates the need for proper accounting information systems to be in place and being fully operational in order to avoid dishonesty, corruption, fraud and falsification of accounting records and maintain efficiency and effectiveness within the organization.

Beluerd E. Needle & Marian powers (1999) in their book also stress that a good system of accounting information accomplished the board objectives of the organization.

According to them, good accounting information systems safeguard the company's assets such as motor vehicle, capital good, labour, and land among others. If the accounting information systems are not there or weak, then the performance will be highly affected negatively.

They also emphasize the good systems of accounting information system produces reliable accounting records. This means that, if the accounting information systems are not effectively and efficiently utilized or not put in place, it can pose a negative impact on the financial performance of the organization as it will lead to corruption and other unnecessary evils.

Jerry waygand in his publication quotes of foreign corrupt practices act of 1977 which requires all major US corporations to maintain an adequate system of accounting, information. Companies that fail to comply with this directive are subject to fines and the company officers may be imprisoned and prosecuted. According to this act, a number of American corporations had made payments to the officials in the foreign countries even without the authorization of the top executives of the corporation. Through the payments were legal under the countries in which they were being made, it was not in accordance with the American standards of business ethics because of this, the national

commission on Fraudulent Financial reporting (NCFFR) concluded that all the companies whose stock was traded publicly should maintain a good accounting information systems that can provide reasonable assurance that fraudulent financial reporting will be prevented or subject to early detection. This acts therefore posed the need for a good accounting information systems to be in place so as to bring about the achievement of the mission and vision.

2.4 Difference between account software and computer hardware

According to Paul D. Kimmel, Jerry J. Weygandt and Donald E. Kieso (3rd edition) in their book "Financial accounting, tools for decision making" Accounting information systems are supported with technology which can range from simple calculators to state of the art advanced electrons systems. Because the technology increasingly important in accounting information system, they looked into the impact of computer technology.

How data processing works with accounting data, and the role of computer net work. Computer technology can be separated into two categories, hardware and software.

Computer software. Also known as enterprise resource planning (ERP) includes the programmes that managers company's vital operations. They extent from order taking to manufacturing to accounting. When integrated well these integrated programmes can speed decision making, slash costs, and give managers control over operations with the click of a mouse. A computer soft ware therefore comprises the programs that direct the operations of the computer software. A program can be written, for instance to process customers merchandise orders. They added that computer technology provides accuracy, speed efficiency and convenience in performing accounting tasks.

While computer hardware is the physical equipment in a computerized accounting information system. The physical equipment includes processing units, hard drives servicers, printers and scanners.

2.5 The impacts of accounting information systems on the performance of world health organization and United Nations agencies

According to Kermit D. DLarson & Tilly Jensen (2005) in their book "Fundamental accounting principles" Accounting information system refers to a group of components that collect and process raw financial data into timely, accurate, relevant, and cost effective information to meet the purposes of internal and external users.

They added that, the primary components within an accounting information system are accounts payables, accounts receivables, and pay roll. Especially components, such as capital assets, are often added dependent on the needs of the business. Other components of an accounting information system include people, data (inputs) software (accounting programs) hardware (computers), and reports (outputs).

Most business large and small now depends on computers to provide support to the accounting information system with the following below explained impacts.

Computerized accounting information system can dramatically reduce the time and effort devoted to record keeping tasks. Less effort spent on record keeping tasks means more time for accounting professionals to concentrate on the analysis and managerial decision making these advances have created a greater demand for accounting professional who understand financial reports and can draw an insights and information mountains of processed data. Accounting professionals have expertise in determining relevant and reliable information for decision making. They also can assess the effects of transactions and events on company and its financial statements.

Wide spread use of accounting information system has increased the range and power off-the-shelf programs, which include multipurpose soft ware applications for a variety of operations these includes familiar word processing programs such as word and word perfect, spread sheets programs such as excel, and data base management programs.

Other off-the-shelf programs meet the needs of specialized users, including accounting programs such as peach tree and quick books, off-the-shelf programs are designed to be user friendly and menu driven, and many operate more efficiently as integrated systems.

In an integrated system, actions taken in one part of the system automatically affects related parts. For example when a credit sale is recorded in an integrated system, for instance several parts of the system are automatically updated.

Knowledge of the accounting information system described enables the management of most of the non government organizations (NGOs) to understand the transactions and events driving the output and only in this way, the management of the organization can expect to reap the full benefits of accounting reports. All the reports available can not only help the management, but also both internal and external users who may fail to understand the accounting information system principles and methods determining the information.

2.6 The major phases involved in the development of accounting information system

According to Robert F. Meigs, Mary A Meigs, Mark Beltner and Ray Whittington (1996) in their book "Accounting the decision for business" tenth edition, good accounting system do not just happen. They are carefully

planned, designed, managed and refined depending on the nature of the company's business, the type of transactions, the size of the organization the volume of the data, and the information demand of the management and others. They added that, accounting information system involves the recording process, from the initial data entry to preparation of the financial statements. Generally, developing an accounting information system involved the following four phases.

Analysis, the starting point of analysis will be determine the information needs of the internal and external users. Once this is established, the system analyst proceeds to identify the sources of the information and records and procedures for collecting and reporting the data if an existing system is being analyzed its weakness and strengths must be identified.

Design for a new system forms and documents had to be designed, methods and procedures selected from the alternatives job description prepared controls integrated, reports formatted and equipment selected redesigning and existing system may involve only minor changes, a complete overhaul or replacement of a manual system by a computerized systems.

Implementation. Implementation of either new or review systems required that documents procedures, reports and processing equipment must be installed and made operational. Personnel must be hired, trained and closely supervised through a start-up or transition period.

Follow- up. This will be the final phase involved in the development of accounting information system. Here, after the system is up and running. It must be evaluated and monitored for the weakness and breakdowns. Also its effectiveness and efficiency must be compared to the design or changes in the implementation may be necessary.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter endeavors to describe the methods and techniques that were used to collect information or data. It explain in details the method of data collection, research design, research tools, measures, procedures and ethical consultation which was used in the study.

3.2 Research design

The researcher used both qualitative and quantitative research design to collect data from world health organization (WHO) this qualitative design was used to get detailed information for diversity of multiple realities using methods such as interview and observation, quantitative research design was used such that some information is put by the research in numeral form or tabular form.

3.3 Research population

The study population was be 58 which was selected from the different departments of world health organization (WHO) like the board members project accounts, other project staff, and secretaries. The following are the departments where respondents was selected from financial department, controllers, treasure, Internal accounting, auditing, budgeting and financial analysis, cash management and management of payroll departments.

3.4 Sample size

A sample of 50 respondents comprised of head to departments, cashier, accountants, senior officers office attendants, departmental secretaries was sampled quarterly and purposely to prove the degree of validity of instruments. Quota sampling method was used since it addresses issues of repetitiveness where matrix described the characteristics of the respondents that determine

the proportion of the male and female, and what proportion falls into the various department.

The researcher used Slovenes formula to come up with a sample size to be used in the study. The Slovenes formula states that a given population the minimum sample size

$$n = \frac{N}{1+N(e^2)}$$

Where n= the required sample size

N= the known population size

e= the level of significance which fixed at 0.05

$$n = \frac{N}{1+N(e^2)}$$

$$\frac{58}{1+58(0.05)^2}$$

$$\frac{58}{1.145} = 50 \text{ number of the population to be used in the study}$$

3.4 The sampling techniques of the study

The researcher employed three sampling techniques for carrying out the research, this includes quota sampling, Multi-stage cluster sampling and purposive judgmental sampling in data collection.

a) Quota sampling

This addressed the issues of repetitiveness where matrix described the characteristics of largest population was used to determine what proportion of the population is male and female and for each sex, what proportion falls into various educational levels.

b) Multi-stage sampling

This sampling technique involved two basic steps listing and sampling of the study population the list of the primary sampling units comprised of head of departments, accountants departmental secretaries, office attendants engineers, this sample of these units was selected and then listed.

c) Purposive sampling

In this sampling technique, the researcher sampled the population basing on the research's own knowledge of the population, its elements and nature of the research designed, especially in the initial design with the questionnaires wishes to select the particular respondents to test the broad applicability of the research questions designed.

3.4.1 Sampling procedures

A primary sample of fifty 50 was taken from the study population of world health organization (WHO) to participate in the trial run of instruments to perform the items analyzed. Then a second sample of thirty (30) respondents comprising of heads of departmental secretaries was sampled quarterly and purposely to prove the degree of validity of instruments.

3.5 Instruments of data collection

The following instruments will be applied in data collection and analysis.

3.5.1 Questionnaires

These instruments was advanced by the researcher to get information on facts of the accounting information system on the performance of World health Organization (WHO) United Nations agencies

The researcher anticipates that questionnaires were helpful to collect data from respondent who had no time to be interviewed within the United Nations

agency and also those who may have time. The respondents' would answer or fill in the answers at their own place or free time.

3.5.2 Interview

The researcher carried out interview with the samples such as departmental secretaries, heads of departments, finance officer and the internal accountants more so using the information that was relevant for him to draw logical conclusion on which he based his opinion.

The researcher tried to create a conducive environment for interview by building a rapport through explanation of the purpose of the study and assurance of confidentiality. The researcher preferred this data collection methods since he hoped that it will give him room to make clarification on some of the questions through probing for easy understanding and will ensure validity.

3.5.3 Observation

In this method, the researcher used eye to observe what actually happened on the ground and take the record, more so, the researcher observed the activities of the correspondents, books of accounts in the finance department, the accounting information systems that are in place and are being used at the area of the study. This was done using observation techniques such as natural observation.

3.5.4 Tabulation

This was done by arranging data and drawing tables to respond the findings. Here the researcher will aim at proper statistical interpretation.

3.6 Sources of Data

The researcher used mainly two sources of data to get information on the impact of accounting information systems on the performance of world Health Organization (WHO) united nations agency

These sources include the following discussed below.

3.6.1 Primary sources

The researcher was involved in face to face contact and conversation with the respondents or interviewing from whom the hopes to get the information pertaining the topic of the study. The researcher also acted, asked questions or gave to them questionnaires and the information was filled by the respondents on the questionnaires.

3.6.2 Secondary sources

The researcher collected and used data from the previous reports on the study of different text books, journals, internets, reports from company performance among others secondary literature.

3.7 Data processing

The processing of data was done so as to verify the data collection. This was so in order to ensure, the completeness and infirmity, editing was done by the researcher which involved checking the data for error, omissions and gaps. This was helpful for the researcher to detect the errors that might influence the results. Editing also was helpful for the researcher to ensure that every question in the interview guide has been answered and these answers given are accurate and correct. Tabulation was also used in the presentation of respondents of social demographic characteristics which was also coded by recording the answers given according to the sub themes of the study.

3.8 Data Analysis

Under data analysis, both quantitative and qualitative methods were used in these statistical and non statistical approaches which was used in the analysis of the finding

3.9 Ethical consideration

Before going to the field, the researcher first acquired an introductory letter from the university introducing him to the field so that the informants or correspondents will have no room to doubt. The searcher also tried to explain the purpose and the benefits of the research to be carried out.

CHAPTER FOUR

PRESENTATION, INTERPRETATION AND ANALYSIS OF DATA

4.1 Introduction

This chapter presents the findings and discussion of the study for the data obtained from the field. This was done with aim of providing answers to the research questions and an interpretation of each of these findings in light of research questions and interpretation of each of these findings in light of research objectives. Tables, figures, frequencies and other statistical tools were used to help with the analysis and interpretation of findings.

4.1.1 Finding on the demographic characteristics of respondents

Response rate

Out of the 50 questionnaires distributed to respondents, all were returned giving a respondent rate of 100%

Table 1: showing distribution of respondents by gender.

Category of respondents	Frequency	Female	Male	Percentage (%)
Board members	10	4	6	20
Project accountants	5	2	3	10
Other project staff	25	10	15	50
Donor staff	10	6	4	20
Total	50	31	29	100

Source: Primary data

From the table above 62% of the respondents were female and 38% were male this there no bias on either sex. This implies that majority of the respondents are female hence world Health Organization (WHO) is gender sensitive though it has more female workers than male.

Table 2 shows responses on how accounting information system are related to performance of world Health organization (WHO)

Sex of respondents	No. of respondents	Percentage %
Male	20	40
Female	30	60
Total	50	100

Source: primary data

Table 2 shows that out of 50 respondents who participated, 20 were female forming the percentage of 40% whereas the female respondents were 30 with the percentage of 60%. The sub total of the respondents was 50 meanwhile the sub percentage of the respondents was 100%. The above disparity between the figures and the percentages of the female and male respondents could be as a result of gender equality in most of the departmental offices.

When the researcher consulted those who were not working within the world Health Organization (WHO) on how Accounting information systems were related to performance the following responses were obtained.

Table 3: showing the responses on how accounting information were related to performance from those who did not work within the custom offices.

Item	Tally	No. of respondents	Percentage
Aware	III- III III -III -III	25	50
Not aware	III III III -III III	25	50
Total		50	100

Source: Primary data

When the respondents were asked about their education levels the following responses were obtained.

Table 4: Showing the education background of respondents

Level of education	Board member	Project accountants	Other project staff	Donor staff	Frequency	Percentage
O Level	-	-	5	-	5	10
A Level	-	-	5	-	5	10
Diploma	5	5	5	5	20	40
Degree	5	5	8	2	20	40
Total	10	10	23	7	50	100

Source: primary data

From the table above 40% were degree holders, 40% were diploma holders, 10% were 'A' Level dropouts and also 10% were 'O' Level dropouts. This indicates that majority of the respondents were degree and diploma holders with enough skills to carry out their work and they were able to interpret the questionnaires as majority of the population knows how to read and write and more so it shows that the majority of the respondents had knowledge about Accounting information systems since they are educated men and female with some qualifications. The researcher further consulted the respondents to determine their ages. The researcher found out the following responses.

Table 5: Shows the ages of respondents

Age group (years)	Tally	No. of respondents	Percentage
18-24	III III	10	20
25-30	III II	20	40
30-45	III III	10	20
45 above	III III	10	20
Total		50	100

Source: primary data

Table 5 shows that the respondents within the age bracket of 18-24 formed the percentage of 20%, 25-30 formed the percentage of 40%, and those between 30-45 years formed the greatest percentage of 20% whereas those above 45 years formed the percentage of 20% out of the sub total percentage of 100.

Table 6: showing years worked by the respondents in World Health Organization (WHO)

Years employed	board member	project accountants	other project staff	donor staff	frequency	percentage %
Below 5	-	2	6	1	9	18
5-10	-	4	4	2	10	20
10-15	1	2	2	1	6	12
15-above	5	5	5	10	25	50
Total	6	13	17	14	50	100

Source: primary data

From the table above 20% of the respondents have worked with the organization for a period between 5-10 years 18%, below 5 years 12% between 10-15 years and 50% 15 above. This shows that most of the respondents had

worked for the organization for a fairly long time of 5-10 years this appropriate answering of the questionnaires.

Table 7: shows the marital status of respondents

Marital status	Frequency	Percentage (%)
Single	10	20
Married	30	60
Separated	8	16
Divorced	-	0
Widowed	2	4
Total	50	100

Source: primary data

The table above shows that 20% of the respondents were single, 60% are married, 16% were separated and 4% were widowed and there no findings on divorced respondents. This shows that most respondents were married which can also be explained by majority middle aged respondents.

4.2 Effects of accounting information system on performance World Health Organization

Research findings revealed that there was a great effect of accounting information systems on performance of World Health Organization in Kampala Town. The respondents argued that accounting information systems affected performance both positively and negatively the respondents stressed on this depending on the knowledge, applicability, monitoring and the level of availability of accounting information systems in place and higher degree of the employee's hard work due to accounting information system.

The positive effects of good accounting information system stretched for much beyond support for strategic planning but also included better services delivery proper accountability for safeguarding the assets of the organization.

This agrees with Belverd E. Needle and Marian powers (1999) who stressed in their book that a good system of accounting information system accomplishes the broad objectives of the organization. They also added that good systems of accounting information systems produce variable accounting records.

Therefore, good accounting information systems could lead to the achievement of the mission of the organization.

“To achieve sustainable socio-economic development through efficient provision of quality services to the people in conformity with national policies and local priorities”

Proper accountability was another positive effect of AIS that the researcher found out during the study Good accounting information systems meant having various types of accounting information system principles, the procedures and control environment fully operational in an organization.

“How can you embezzle the funds of the organization or fail to account for it yet there is another person assigned to monitor your operations, you will dodge even public account committee (PAC)”

This was one of the comments given by one of the officials in the Accounts department. This strongly emphasized that good Accounting information systems curbed corruption.

Because the effects of accounting information systems on performance had a mixed feelings, from the respondents.

4.3 The different principles of accounting information systems present in World Health Organization

Of the total number of respondents, 73% of them responded that there were accounting information systems in place through by them was not fully implemented to a higher degree or capacity and more so the accounting information system principles put in place were as detailed discussed below.

Control principle under this principle, it required an accounting information system to have internal controls, internal controls are the methods and procedures allowing managers to control and monitor business activities. This means that management philosophy and operating style and all policies and procedures adopted by management to assist in achieving the entity's set objectives.

They included policies to direct operations towards common goals, procedures to ensure reliable financial reports to achieve compliance with laws and regulations. They added that, an organization which is orderly and efficiently ran will be able to satisfy its supplier's customers, use its productive facilities efficiently and above all, met the needs of employees far better than businesses which are disorderly and inefficient. An efficient organization will have good flow of timely information.

Relevance principle. This required that an accounting information system reports useful, understandable, timely and pertinent information for effective decision making. This means that an information system is designed to capture data that make a difference in decision. To ensure, this all decision makers must be those who gave negative effects asserted that ill- equipped or lack of proper accounting information systems in place led to poor service delivery, corruption, embezzlement, falsification of the accounting records or documents. The explanation given by the respondents was that indicators such

as lack of monitoring, lack of transparency. Lack of motivation of employees, poor time management, and incompetent workers among others would easily aid or fund intentional mistakes on public funds thus leading to corruption.

Findings agree with Jerry Weygand & Donald F. Kieso who pointed out in their book that poor or ill equipped accounting information systems lead to dishonesty in the organization. To support their argument, they quoted a computer operator who embezzled \$ 21 million from wells Fargo Bank and also a shipping clerk of 28 years of service who shipped \$ 125,000 of the merchandise for himself.

There was also great effect of accounting information system (AIS) on performance when the record keeping aspect or perspective was closely looked at or analyzed by the researcher. Inadequate principles of accounting information systems led to poor record keeping especially if there was no monitoring of activities of employees, independent checks, and rotation of employees.

What the researcher found out was in agreement with the quotation of Jerry Weygand in his publication. He quoted the Foreign Practices Act of 1977 whereby a number of American corporations had made payments to the officials in foreign countries even without the authorization of the top executives of the corporation considered when identifying relevant information for disclosure.

Compatibility principle. According to this principle, accounting information system was to conform to a company's activities, personnel, structure, and its unique characteristics. This system must not be intrusive but must work in harmony with and be driven by the company goals. This was because most

start up entrepreneurs require only a simple information system to be able to assemble data from the or its global operations.

Flexibility principle. Accounting information system must be able to adjust to changes this principle required that an accounting information system must be able to adapt to changes in the company business environment, and needs of decision makers. Technological advances, competitive pressure, consumer tastes, regulations and company activities constantly change. A system must be designed to adapt to these changes.

Cost benefits principle. The cost benefit requires the benefits from an activity in accounting information to out weigh the cost of that activity. The costs and benefits of an activity such as reporting certain information impact the decisions of both external and internal users. Decisions regarding other systems principles (control, relevant, compatibility and flexibility) were also affected by the cost benefit principle.

4.4 Contributions of accounting information systems

The fourth research question sought to investigate the contributions of AIS on the performance of World Health Organization in Kampala. Accounting information systems in addition had led to decrease of corruption, falsification of records, your voucher cannot be approved by only one person without reaching to the person at the top for examination.

This indicated that AIS had played a great role to facilitate the achievement of vision and mission set by World health organization.

On further discussion with the respondents, the researcher found out that community was able to receive what it deserved or access the services. There seemed to better service delivery because of the monitoring on the performance was done. On the works department, physical accountability was carried out

which meant physically going to the field to inspect that activity to avoid shady work.

Accounting information systems had contributed to proper keeping or maintenance of records. This was because a committee could monitor the operations of employees and also respondents explanation showed that committees such as PAC, a team of internal and external auditors, councilors, IGG would any time request to have a book at some of the documents such as vouchers, cheque books, receipt books, vote books, cash books, to the respondents, the records acted as evidence in case of any query by any of the committees.

Proper planning and budgeting were also attributed to AIS being in place at the world Health Organization (WHO) especially in Kampala. A majority of respondents agreed that it was easy to plan and budget using the figures from the previous financial years so as to estimate the budget of the current of the current financial years.

In conclusion, the contributions of accounting information systems on performance of World Health Organization in Kampala were many and diverse. More emphasis on their use was proved to be very important and necessary so as to achieve the mission, objectives and vision of World Health Organization.

CHAPTER FIVE

SUMMARY OF THE MAJOR FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

This chapter put forward the major findings, conclusions, recommendations, research problems and importance for future researchers.

5.1 Summary

According to Kermit D. Larson, John J. wild and Barbara chiappetta (2002) in their book fundamental accounting principles, accounting information system refers to a collection and processing of data from transactions and events, organizing them in useful forms and from communicating results to decision makers. Accounting information collects and process data from transactions and events, organizes them in useful forms and communicates the results to decision makers. They further say that these systems are crucial for effective decision making to both internal and external users of the information due to increasing complicity of business and growing need for accounting information system.

This agrees with Belverd E. Needle & Marian Powers (1999) who stressed in their book that a good system of accounting information system accomplishes the broad objectives of the organization. They also add that good systems of accounting information systems produce reliable accounting records.

Therefore, good accounting information systems had led to the achievement of the mission of World Health organization.

The general objective of the study was to find out the effects of accounting information systems on the performance of WHO in Kampala Town in Uganda. The study was guided by the following specific objectives to investigate the relationship between AIS and performance, to investigate the effects on

performance, to differentiate between computer hardware and software types and principles of accounting information systems in use in organization at the Kampala Town and to investigate their contributions.

The researcher found out that there was shortage of qualified staffs with degrees and masters. The problem leads to lack of well prepared accounting information system which results into difficult to the final users of accounting information.

The researcher also found out the problem of lack of monitoring and supervision by the technical staffs and limited sensitization of junior employees. Poor preparation of accounting information system

The researcher found out that there were limited meetings or quarterly meetings this led to increase of the hindrances of accounting information system remained unaddressed.

The researcher found out that there was a problem of limited proper delegations whenever the head of departments were not around so some activities could remain at a standstill.

The researcher found out that local communities were not attending council meetings as a result there was shortage of proper dissemination of information in regard to inquire whether the organization is playing its social responsibility to the community or not. This made the community not to seek for clarifications on how certain activities are taking place in the way they may not expected.

The researcher found out lack of enough awareness on how accounting information systems are relevant especially the role they play in organization to see its set objectives

5.2 Conclusions

In the study, it was evident that there were different principles of accounting information systems applied. However, the principles of accounting information systems did not mean automatic great performance since there were hindrances which the respondents said affected finance department to a large extent when compared to other departments.

Therefore, monitoring, supervision, seminars refresher courses, recruitment of well qualified staff should be adopted so as to maximize the positive effects and contributions of accounting information systems on performance and achievement of the organization objectives, missions and vision.

The organization should also take up the responsibility of performing independent checks both internally and externally, warn or even apprehend the culprits so as to discourage others as one of the information systems measures as employees also practice proper delegation of duties, keep proper books or records, follow professional ethics and code of conduct in order to ensure that the performance of the organization shall be rated as being high in the near future.

5.3 Recommendations

1. Board members

The researcher recommends the board members to recruit more staff who have the qualifications of degree and masters to as to be able to meet certain principles of accounting information systems such as rotation of employees Segregation of duties.

2. Donor staff

The researcher further calls for need by the donor technical staff to carry out close supervision and monitoring of the employees and different departments in addition to sensitization of junior employees so as to improve on the smooth running of the activities within the organization especially those that deals with the use of electronic technology.

3. Management

The researcher recommends management especially the project staffs authorities to encourage staff meetings or quarterly meetings so that some of the hindrances of accounting information systems were identified and ironed out. The practice of carrying out both internal and external audits should be prioritized and given a lot of emphasis.

4. Employees

The researcher recommended them to practice proper delegation of duties where never they are not around so that the activities of the departments do not come to a stand still. This perhaps would lead to continuous struggle to achieve the organizations objectives, mission, and vision.

5. Local community

The researcher also recommends the local community to attend council meetings so as to have proper dissemination of information in regard to inquire whether the organization is playing its social responsibility to the community or not. This would make the community to seek clarifications on how certain activities are taking place in the way they may not expect.

6. General recommendation

Creation of enough awareness on how accounting information systems are relevant especially the role they play in organizations to see its set objectives,

goals and missions are achieved more on how they can be used to bring about the proper accountability, safeguarding of assets of the district, proper record keeping for both today and in future time to come for references.

7. Area for future researchers

Future researchers needed to put emphasis in covering most of the activities concerning the challenges encountered during the implementations of accounting information systems and how those challenges can be eliminated or minimized so as to lead to positive impacts.

They needed to dwell much on identifying the relationship between accounting information systems and organization policies. They should identify areas of agreements and disagreements and how one leads to the positive or negative effects of the other.

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APPENDIX 1 INSTRUMENTS

A. QUESTIONNAIRES

Dear respondent

As a student of Kampala International University pursuing Bachelor of Business Administration (Accounting option) I am carrying out a research on the topic. “ **The impacts of accounting information systems on the performance of an united nations agency**”

Case study: World Health Organization (WHO) in Kampala Branch in Uganda

The purpose of this study is to collect Information on the effects of accounting information systems on the performance of an auditor of World Health Organization (WHO) .

Your respondent will be treated with high degree of confidentiality and the information gathered or obtained is strictly for academic purposes.

PERSONAL DATA (QN 1-5)

Please help to tick the most appropriate and fill in the blank spaces where applicable

1. Age

- | | | | |
|----------|--------------------------|--------------|--------------------------|
| a) 18-24 | <input type="checkbox"/> | c) 30-45 | <input type="checkbox"/> |
| b) 25-30 | <input type="checkbox"/> | 45 and above | <input type="checkbox"/> |

2. Sex

- | | | | |
|---------|--------------------------|-----------|--------------------------|
| a) Male | <input type="checkbox"/> | b) Female | <input type="checkbox"/> |
|---------|--------------------------|-----------|--------------------------|

3. Marital status

- a) Married ☐ b) Single ☐

4. Level of Education

- a) Certificate ☐ c) Degree ☐
b) Diploma ☐ d) Masters ☐

5. Department

- a) Administration ☐ c) Human resources ☐
b) Accounts ☐ d) Others (specify) ☐

RESEARCH QUESTION ONE(QN 6-8)

6. How do you find the accounting information systems used in your organization?

- a) Very good ☐ c) Fair ☐
b) Good ☐ d) Non ☐

7. Is there any relationship between accounting information systems and performance of an Auditor?

- a) Yes ☐ c) Some how ☐
b) No ☐ d) Others (specify).....

8. How do you determine the efficiency of accounting information systems used in your organization?

.....
.....

RESEARCH QUESTION TWO (QN 9-10)

9. Does the performance cope up with the accounting information system?

- | | | | |
|--------|--------------------------|------------|--------------------------|
| a) Yes | <input type="checkbox"/> | c) Somehow | <input type="checkbox"/> |
| b) No | <input type="checkbox"/> | d) None | <input type="checkbox"/> |

10. Do accounting information systems affect performance? If yes, how?

.....
.....

RESEARCH QUESTION THREE (QN 11-13)

11. Which of the following accounting information systems components do you have?

- | | | |
|--------------------------|-----|------|
| a) Input devices | Yes | None |
| b) Information processor | Yes | None |
| c) Information storage | Yes | None |
| d) Output devices | Yes | None |
| e) Non of these | Yes | None |

12. Which of the following accounting information system principles are present and used in the organization (WHO)

- | | | | |
|------------------|--------------------------|-----------------|--------------------------|
| a) Control | <input type="checkbox"/> | d) flexibility | <input type="checkbox"/> |
| b) Relevance | <input type="checkbox"/> | e cost- benefit | <input type="checkbox"/> |
| c) Compatibility | <input type="checkbox"/> | | |

13. How do the above principles work?

- a) Control
- b) Relevance
- c) Compatibility.....
- d) Flexibility.....
- e) Cost benefit.....

RESEARCH QUESTIONS FOUR (QN 14-16)

14. What are the general contributions of accounting information systems on the performance of world health organization (WHO)
- a) Past.....
- b) Present
15. What are the specific contribution of accounting information systems in the performance in your organization?
-
-
16. What are the problems encountered by the management in the implementation of the accounting information system in the organization?
-
-
17. How has management come up to solve the problems mentioned above?
-
-

B. INTERVIEW GUIDE

1. How do you determine the efficient of accounting information systems used in the organization?
2. How do you find the accounting information systems used in your organization?
3. Which accounting information system components do you have?
 - A)
 - B)
 - C)
 - D)
4. Which accounting information system principles are present and used in your organization?
5. What relationship is there between the accounting information systems and the performance of WHO the united nations agency?
6. What are the general contributions of accounting information systems on the performance of WHO organization?
7. What are the specific contributions of accounting information systems on the performance of your organization
8. How is management come up to solve the problems mentioned above?
9. Give the way forward

APPENDIX II
TIME FRAME

Time period	Activity
April to May	Proposal writing
May to June	Data collection
June	Data compilation

APPENDIX III: BUDGET

PARTICULARS	QUANTITY	UNIT COST	AMOUNTS
Stationary			
Pens	2	500/=	1,000/=
A flash disk	1	40,000/=	40,000/=
Rim of papers	1	15,000/=	15,000/=
Sub total			56,000/=
Travel and communication			
Air time cards			30,000/=
Travels			80,000/=
Meals			50,000/=
Sub total			160,000/=
Data collection			
Library	10 days	5,000/=	50,000/=
Internet	12 hours	1,500/=	18,000/=
Sub total			68,000/=
Typing and printing			
Proposal	1 copy	20,000/=	20,000/=
Research report	3 copy	9,000/=	7,000/=
Sub total			27,000/=
Consultations			
Editing	1 copy	20,000/=	20,000/=
Miscellaneous		36,000/=	36,000/=
Su total			56,000/=
Photocopying and binding			
Research report			
Photocopy	2 copies	9,000/=	18,000/=
Research report			
Binding	3 copies	6,000/=	18,000/=
SUB TOTAL			36,000/=
GRAND TOTAL			403,000/=