

**THE IMPACT OF COMPUTERIZED ACCOUNTING ON CUSTOMER  
SERVICE DELIVERY: A CASE OF HIMA CEMENT LTD**

**BY**

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**A RESEARCH REPORT SUBMITTED TO THE SCHOOL OF BUSINESS AND  
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UNIVERSITY**

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**JUNE 2009**

### DECLARATION

I **GOVI EUNICE MBEYU** do declare that this work is my original work and has not been submitted in this university or any other institution of higher learning before for an academic award and should not be reproduced without my consent.

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Date..... 25/06/2009 .....

### APPROVAL

This dissertation titled "The Impact of Computerized Accounting on Customer Service Delivery a case of Hima Cement Ltd" submitted to Kampala International University, School of Business and Management for the award of Bachelor Degree of Business Administration with my approval as the Supervisor.

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## **DEDICATION**

This research is dedicated to my beloved mother Sarah, my brother Dume, the family of Arnold, the family of Mr. Lugwe, the family of Mr. Kashero and all my indeed friends. Their financial, material and moral supports toward different stages of my life are highly appreciated.

## **ACKNOWLEDGEMENT**

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I would also like to express my gratefulness to my supervisor, Mr. Ddumba Arafat Yasser, a lecturer at Kampala International University for his effort, advices, comments corrections encouragement and support in my research.

I cannot forget my brothers, cousins, all my fellow students especially Omollo Edwin, Anthony Muthui and Athmani Sulemani. And the staff members of Hima Cement Ltd for their cooperation that enabled me to accomplish my research.

## **ABSTRACT**

This report carries the information collected by the researcher during her research. The study was to assess the impact of computerized accounting on customer service delivery a case of Hima Cement Ltd. Hima cement was selected to form the basis of the research study. The main objective was to investigate the effects of computerized accounting on customer service delivery in business organization especially Hima Cement.

The methodology used by the researcher included analytical research designs including questionnaires, interviews and documentary review. Questionnaires were prepared and presented to the respondents for answering. During collection of the questionnaires the researcher interviewed the respondents for clarification of the primary data. The researcher reviewed the documentations of the company to obtain secondary data.

According to the findings computerized accounting has been credited for its automation and speeding of operations in the Company hence simplifying activities through SAP package of accounting. Hence quick in preparation of accounting information and efficient provision of services to its customer.

Keeping training programs under constant review and to provide additional training so that the accounting staffs are up to date in the execution of accounting information was recommended for the company to emphasize.

## TABLE OF CONTENTS

APPROVAL .....	I
DEDICATION .....	II
ACKNOWLEDGEMENT.....	III
ABSTRACT .....	IV
LIST OF TABLES.....	VII
LIST OF FIGURES.....	VIII
CHAPTER ONE.....	1
1.0 INTRODUCTION.....	1
1.1 BACKGROUND OF HIMA CEMENT LTD.....	1
1.2 BACKGROUND OF THE STUDY.....	2
1.3 STATEMENT OF THE PROBLEM.....	3
1.4 PURPOSE OF THE STUDY.....	3
1.5 SPECIFIC OBJECTIVES.....	4
1.6 RESEARCH QUESTIONS.....	4
1.7 SCOPE OF THE STUDY.....	4
1.7.1 GEOGRAPHICAL SCOPE AND TIME SCOPE.....	4
1.7.2 SUBJECT SCOPE.....	5
1.8 SIGNIFICANCE OF THE STUDY.....	5
1.9 CONCEPTUAL FRAMEWORK.....	5
CHAPTER TWO.....	6
LITERATURE REVIEW.....	6
2.0 INTRODUCTION.....	6
2.1 ACCOUNTING.....	6
2.2 ACCOUNTING SYSTEM.....	7
2.2.1 ACCOUNTING INFORMATION SYSTEMS.....	7
2.2.2 MANAGEMENT INFORMATION SYSTEMS.....	8
2.2.3 ELEMENTS OF MANAGEMENT INFORMATION SYSTEMS.....	9
2.3 COMPUTER SYSTEMS.....	10
2.4 COMPUTERIZED ACCOUNTING.....	11
2.4.1 FEATURES OF COMPUTERIZED ACCOUNTING.....	13
2.4.2 THE IMPACT OF COMPUTERIZED ACCOUNTING ON CUSTOMER SERVICE DELIVERY.....	14
2.4.2.1 PURCHASING RECORDS.....	14
2.4.2.2 THE GENERAL LEDGER.....	15
2.4.2.3 ACCOUNTS RECEIVABLE.....	16
2.4.2.4 ACCOUNTS PAYABLE.....	17
2.4.2.5 SALES RECORDS.....	17
2.4.2.6 INVENTORY RECORDS.....	18

2.4.2.7 THE PAYROLL.....	19
2.4.2.8 FINANCIAL STATEMENT ANALYSIS.....	19
2.4.2.9 CUSTOMER SERVICE DELIVERY.....	20
<b>CHAPTER THREE.....</b>	<b>21</b>
<b>RESEARCH METHODOLOGY.....</b>	<b>21</b>
<b>3.0 INTRODUCTION.....</b>	<b>21</b>
<b>3.1 RESEARCH DESIGN.....</b>	<b>21</b>
<b>3.2 RESEARCH AREA.....</b>	<b>21</b>
<b>3.3 RESEARCH INSTRUMENTS.....</b>	<b>21</b>
3.3.1 QUESTIONNAIRES.....	22
3.3.2 INTERVIEW SCHEDULES.....	22
3.3.3 DOCUMENTARY REVIEW.....	22
<b>3.4 RESEARCH POPULATION.....</b>	<b>22</b>
3.4.1 SAMPLE DESIGN.....	23
3.4.2 SAMPLING METHOD.....	23
3.4.3 SAMPLE SELECTION AND SIZE.....	24
<b>3.5 DATA COLLECTION METHOD.....</b>	<b>25</b>
3.5.1 PRIMARY DATA.....	25
3.5.2 SECONDARY DATA.....	25
3.5.3 PROCESSING AND ANALYSIS OF DATA.....	25
<b>3.6 STATISTICAL TREATMENT OF DATA.....</b>	<b>26</b>
<b>3.7 ETHICAL CONSIDERATION.....</b>	<b>26</b>
<b>3.8 LIMITATION OF THE STUDY.....</b>	<b>26</b>
<b>CHAPTER FOUR.....</b>	<b>27</b>
<b>FINDINGS AND DATA ANALYSIS.....</b>	<b>27</b>
<b>4.0 INTRODUCTION.....</b>	<b>27</b>
<b>4.2 THE IMPACT OF COMPUTERIZED ACCOUNTING.....</b>	<b>28</b>
4.2.1 PROBLEMS ASSOCIATED WITH PREPARATION OF ACCOUNTING INFORMATION.....	29
<b>CHAPTER FIVE .....</b>	<b>35</b>
<b>SUMMARY, CONCLUSION AND RECOMMENDATIONS.....</b>	<b>35</b>
<b>5.0 INTRODUCTION.....</b>	<b>35</b>
<b>5.1 SUMMARY.....</b>	<b>35</b>
<b>5.2 CONCLUSION.....</b>	<b>36</b>
<b>5.3 RECOMMENDATIONS.....</b>	<b>37</b>
<b>REFERENCES .....</b>	<b>38</b>
<b>APPENDIX I.....</b>	<b>40</b>
<b>APPENDIX II.....</b>	<b>42</b>
<b>APPENDIX III.....</b>	<b>44</b>



## LIST OF TABLES

Table 4.1 The gender base of the Hima Cement Employees.....	27
Table 4.2: Response of questionnaires on computer literacy of accounting staff members.....	30
Table 4.2 Response of Questionnaires on the computer packages applied in accounting department.....	31
Table 4.3 Responses of questionnaire on customer complains on receiving services or information.....	33

## LIST OF FIGURES

Conceptual Framework.....	5
Figure 4.1 A Bar Graph Showing the Age of Hima Cement Employees.....	28
Figure 4.2 A Pie Chart showing the work experience of the employees.....	29

## **CHAPTER ONE**

### **1.0 INTRODUCTION**

This research was conducted at Hima Cement Ltd Head Office at Kampala, situated at Ternan Avenue. Under the topic 'The Impact of Computerized Accounting on Customer Service Delivery as for the case of Hima Cement Ltd', the researcher was much concerned with the effects of computerized accounting and how customers have gained as per the delivery of their respective services by Hima Cement Ltd. This chapter looked at the background of Hima Cement Ltd, the back ground of the study, the statement of the problem, the purpose of the study, the specific objectives, and the scope of the study and the significance of the study.

#### **1.1. The Background of Hima Cement Ltd**

Hima Cement Ltd is under the umbrella of Lafarge East Africa. Lafarge East Africa is a team forged out of the combined strengths of Bamburi Cement, Bamburi Special Products, Hima Cement and Lafarge Eco Systems.

Uganda Cement Industries had initially built the plant to produce 240000 tons of cement a year, but was producing a partly 20000 tons. When Hima took over the management embarked on a mission to improve efficiently and increase production with the aim of maximizing the plant's capacity.

In April 1999 Bamburi Cement under Lafarge East Africa acquired a significant stake in Hima Cement Ltd. Hima runs a large cement factory in the district of Kasese located in sight of the Rwenzori Mountains in Western Uganda. The plant currently has a capacity of 240000 tons. Hima has significantly improved Bamburi market in Uganda. Hima has an approximate of 293 employees currently.

## **1.2 The Background of the Study**

Cambridge Scientists in 1940s discovered the electronic data processing machine called computer. The first computers were enormous, taking up entire rooms, as compared to the present computer, what used to fill an entire room now fit in the palm of the hand. Early in the evolution of computer technology and software, accountants recognized that the benefits of increased speed and accuracy could be attained by automating an accounting system.

According to Frank Wood (1979), when computers had not been introduced in accounting many problems like changing of the accounting records, misplacing of documents and changing of the document in the files for the purpose of frauds and theft were arising in a very high rate in many organizations.

Computerized accounting introduction in organizations has made life very easier than before. This has enabled many organizations to reduce faults, mistakes and theft of very important document because all the information of accounting is recorded on auxiliary storage devices which are under the direct control of the computer.

Frank Wood (1999) asserts that time-saving with respect to transaction processing increased accuracy and the production of a whole series of reports is an obvious desirable benefit when computerizing an accounting system. Furthermore, computers should be seen more than just machines which can handle record-keeping of accounting information because there are tools of management and using them correctly may solve many problems.

However, for computerized accounting to be essential and effective there has to be computer literate personnel to operate the computer, record accounting information and retrieve it when necessary.

### **1.3. Statement of the Problem**

Computerized accounting is a widely practiced transaction processing concept in many organizations. Hima cement a manufacturing company, manufactures cement and distributes it to various regions and rehabilitate quarries. As a result of the presence of large numbers of customers in the company huge volumes of sales have been realized. And using manual processing accounting makes it difficult to process these transactions. There is a growing bargaining power of customers who need to know what is available for purchase, what they have purchased and their account status, including amount owed and also payment due dates.

The company also has been experiencing difficulties in attaining its objectives even after laying down its ambition, attributed by many reasons including inefficiency, inaccuracy, inadequate accounting information which has led to poor decision making.

Due to these problems therefore, the investigation on the impact of computerized accounting will help the company to increase its efficiency and effectiveness on the delivery of services to its customers and also help it focus its vision of being the leading market.

### **1.4 Purpose of the Study.**

To investigate the effects of computerized accounting on customer service delivery in business organization especially Hima Cement.

## **1.5 Specific Objectives**

**1.5.1** To determine the accounting system used in Hima Cement Ltd.

**1.5.2** To assess the impact of computerized accounting of Hima Cement Ltd.

**1.5.3** To assess the relationship between computerized accounting and customer service delivery.

## **1.6 Research Questions**

**1.6.1** Is Hima Cement accounting system computerized?

**1.6.2** What is the impact of computerized accounting on customer service delivery?

**1.6.3** What is the relationship between computerized accounting system and customer service delivery?

## **1.7 Scope of the Study**

The scope of the study was based on the time, geographical and subject scope.

### **1.7.1 Geographical Scope and Time Scope**

For the purpose of information the research was carried in Hima Cement Ltd which has its head office at Kampala along Ternan Avenue. This is why the researcher decided to take the case study of Hima Cement Ltd to ensure the availability of the important data, which was required for the success of the study.

The researcher collected data that explained about the topic based on the period of 2000 to 2008

### 1.7.2 Subject scope

Basing on the time and area the researcher collected data that explained the consequences that computerized accounting have on customer service delivery.

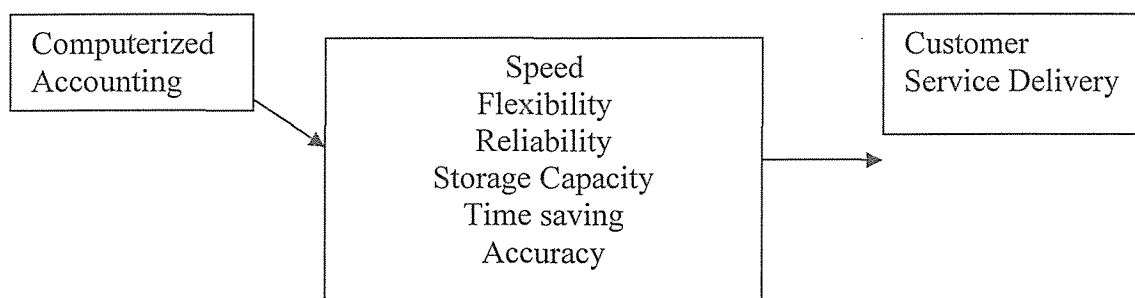
### 1.8 Significance of the Study

It is a partial fulfillment for the award of bachelor degree of business administration of Kampala International University. The researcher has gained knowledge based on the impact of computerized accounting in an organization. The research increased the researcher's knowledge in the field of accounting. The finding benefited not only Hima Cement's administration but also other companies dealing with the same operations.

### 1.9 Conceptual Framework

Independent variable

Dependent variable



**Source;** *Researcher's conceptualization 2009*

Computerized accounting processes accounting information at high speed and accurately. Customers' files are stored safely they can be retrieved for changes whenever need arises hence computerized accounting is flexible. It is time saving when it comes to serving customers because all information is current and up-to-date.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

Literature review is basically looking at what other people have written about a subject, it involves a secondary analysis of the available information already published in some form.

The researcher was required to read through available books, articles and journals in the area with the aim of adding knowledge and familiarize the problem.

#### **2.1 Accounting**

The history of keeping accounts can be traced back to the merchants of Babylonians. They found it difficult to control their businesses without writing down the transactions they contracted with various parties.

Price, Haddock and Brock (2003), defined accounting as the process by which financial information about a business is recorded, classified, summarized, interpreted and communicated to owners, managers and other users.

According to Horngren, Harrison, Robinson (1995), accounting is the system that measures business activities, processes that information into reports and communicate the results to decision makers.

However, Ingram, Albright, Baldwin and Hill (2001), argued that accounting is an information system for the measurement and reporting of the transformation of resources into goods and services and the sale or transfer of these goods and services to customers.



## **2.2 Accounting System**

According to McEntee, Schubert and Fisk (1993), an accounting system is the process of recording and reporting financial events or transactions. The type and structure of accounting system depends mainly on the nature of the business, the plan of the organization and the kinds of transaction volume.

An accounting system can either be manual or computer-based depending on the number of transactions to be recorded in a given period. The goal an accounting system is to provide the financial information needed to manage a business on a day to day basis, and the speed and efficiency of an accounting system is through the application of computer technology.

### **2.2.1 Accounting Information System (AIS)**

According to Romney, Stern Bart and Cushing (1997), an AIS processes data and transaction to provide users with the information they need to plan, control and operate their business. To them, traditionally AIS was only concerned with financial data and accounting transaction thus it was referred to as a transaction processing system, but of recent AIS is used in a wide range of activities including providing information to successfully plan, control and manage businesses.

Therefore, the objective of AIS is to provide information to its users, who are, investors, suppliers, customers, employees, management, government and other interested parties.

Again it measures the performance of the activities of the organization and to show the resources of the organization and provide information for planning and controlling of the organization's activities.

A typically AIS is broken down into subsystems which are:

The purchasing  
Sales order processing  
Accounts receivable  
Accounts payable  
Inventory control  
Payroll  
General ledger  
Cost accounting  
Budgeting  
Responsibility accounting  
Sales analysis

### **2.2.2 Management Information System (MIS)**

Turban, McLean and Wetherbe (2002), defined MIS as a system that access, organize, summarize and display information for supporting repetitive decision making in the functional area. To them, MIS is characterized by mainly their ability to produce periodic reports

According to Kenneth and Jane (2002), MIS is the study of information system focusing on their use in business and management. It focuses on computer-based information system aimed by managers. The term MIS also designates a specific category of information system which serves the management level of an organization, providing managers with reports or with on-line access to the organization's current performance and historical records.

So MIS is the combination of human and computer based resources that result into collection, storage, retrieval, communication and use of data for the purpose of efficient management operation and for business planning.

### **2.2.3 Elements of the term MIS**

#### ***Management***

Management is the process of getting things done effectively and efficient through and with other people.

Kathryn and David (1998), defined it as a process of achieving organizational goals by engaging in the four major functions of planning, organizing, leading and controlling.

There are three levels of management that exist in an organization. The top level management which is involved in formulating organizational objectives and making the strategic plans and policies which enable organizations achieve its objectives.

The middle management level is concerned with translating and interpreting the strategic plans and objectives. They set standards, compare performance at operational level against goals and standards.

The lower level management focuses on the control of the daily activities; hence it must be efficient and effective

#### ***Information***

Information is an organized meaningful and useful data. Managers at all level must be provided with decision-oriented information. The information need at each level differ and the information system must be tailored to provide appropriate information to each level. Good information has the following characteristics;

Relevant: has to add knowledge or value to decision maker by reducing uncertainty, increasing their ability to predict or confirming correcting earlier expectations.

Reliable: is free from error or bias and accurately represents the events or activities of the organization

Complete: does not omit important data users expect to contain.

Timely: is proved in time to affect the decision making process.

Understandable: appears in a useful and intelligible format.

### ***System***

According to Kathryn and David, a system is a set of interrelated parts that operate as a whole in pursuit of common goals. Stephen and David (2001), the system approach defines a system as a set of interrelated and interdependent parts arranged in a manner that produces a unified whole.

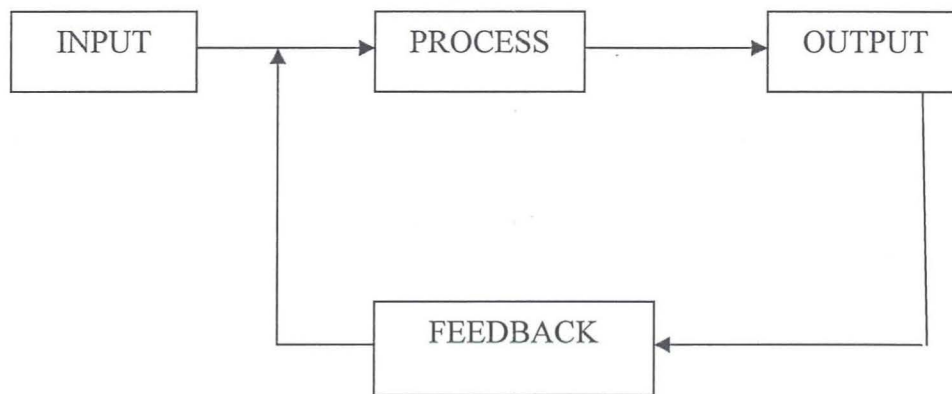
## **2.3 Computer System**

Computer, machine that performs tasks, such as calculations or electronic communication, under the control of a set of instructions called a program. Programs usually reside within the computer and are retrieved and processed by the computer's electronics. The program results are stored or routed to output devices, such as video display monitors or printers. Computers perform a wide variety of activities reliably, accurately, and quickly.

A system is any collection of component elements that work together to perform a task. A computer is a hardware system consisting of a microprocessor and allied chips and circuitry, plus an input device (keyboard, mouse, disk drive), an output device (monitor, disk drive), and any peripheral devices (printer, modem). Within this hardware system is an operating system, often called system software, which is an essential set of programs

that manage hardware and data files and work with application programs. External to the computer, *system* also refers to any collection or combination of programs, procedures, data, and equipment utilized in processing information: an accounting system, a billing system, a database management system.

A system must be made of input, process unit output and feedback as illustrated below;



**Source;** *Accounting information system* by Romney, Steinbart, Cushing (1997)

## 2.4 Computerized Accounting

Oxford advanced learner's dictionary (2005) defines a computer as an electronic machine that can store, organize and find information, do calculations and control other machine.

John and Martin (1984) defined a computer as an electronic device that can store, process and output data in accordance with set of instructions provided in advance by its users.

Rapid advances in computer technology over the past four decades have had a significant impact on our present day society. Many businesses have turned to the computer to help control cost and manage their financial resources. Therefore, professional businesses

managers and accountants need to know about computers because of the effectiveness of computer in accounting applications.

Thus according to Romney, Steinbert and Cushing (1997), computerized accounting is the process of collecting, verifying and analyzing transactions and recording these transactions in a computer. Computerized accounting involves a system which is divided into various components based on function. The components depend on the sophistication of the accounting system, the type of business (manufacturing, retail, wholesale etc) and the size of the business. These components are

- i. General ledger
- ii. Account receivables
- iii. Account payables
- iv. Financial statement analysis
- v. Depreciation
- vi. Inventory
- vii. Payroll

However, the transaction information recorded in computerized accounting is identical to the information recorded in manual accounting

Manual accounting is the collection, verification and analyzing of accounting information and recording this information by writing with a pen or a pencil in a journal

### **2.4.1 Features of computerized accounting**

#### ***1. Fast, powerful, simple and integrated***

Computerized accounting is designed to automate and integrate all the business operations such as sales, finance, and purchase. Inventory and manufacturing. With computerized accounting, up-to-date information is literally at the finger tips.

#### ***2. Complete visibility***

It gives the company sufficient time to plan increase the customer base and enhance customer satisfaction. With it the company had greater visibility into the day-to-day business operations and access to vital information.

#### ***3. Accuracy and speed***

It has user-definable templates which provide fast, accurate data entry of the transaction, thereafter all documents and reports were generated automatically at the press of a buttons

#### ***4. Scalability***

It adapts to the current and future needs of the business irrespective of its size or style.

#### ***5. Power***

Computerized accounting has the ability to handle volume of transactions without compromising on speed or efficiency.

#### ***6. Complete reliability***

It makes sure that the critical financial information is accurate, controlled and safe from data corruption.

## **2.4.2 The impact of computerized accounting on customer service delivery**

According to Frank Wood 1 (1999) many businesses embark on computerized accounting and they have appreciated that bookkeeping and accounting skills are more important than computing ones. This is because computers now are “user friendly” in that they guide users through by presenting screens of ‘what to do next’ help.

Since in computerized accounting the recording, processing and storing of accounting information is based on computer device, the advent of computerized accounting have brought the following success in processing of large number of transaction in a given period.

### **2.4.2.1 Purchasing records**

The purchase has several steps like

- Requisitioning
- Issuing purchase order
- Receiving, inspection and storing
- Checking suppliers invoice

Maintaining detailed records of accounts payable and making timely payments to supplier

With this regard, at Hima Cement various calculations had to be made and various source documents, forms and records were to be prepared.

Computerized accounting characterized with a fantastic speed and accuracy, the large number of transactions were processed within a short period of time. This is because computerized accounting has a system which deals with purchases called computerized



purchasing system. Since customers need to know what is available for purchase, what they have purchased and their account status, including amount owed and payment due date, adoption some type of computerized purchasing system has brought success in processing of large number of accounting transaction accurately.

#### **2.4.2.2 The general ledger**

Business transactions are recorded in journals. The general ledger is a central record which pulls together basic bookkeeping information from the books of original entry. It is used when an organization has several projects and different donors requiring different reports as it helps group related transactions.

Klooster and Allen assert that computerized accounting installs computerized general ledger which is a collection of computer programs that directs the computer to perform the accounting cycle function of building and maintaining accounts, recording and posting journal entries and preparing financial statements.

The general ledger is the basis for the trial balance, the starting point for preparation of financial statement. The output from the files is general ledger reports or financial statements. The major reports prepared to summarize financial operations for a business are;

##### ***The balance sheet***

This assessed the financial position of the company at a given particular date. It showed the assets, liabilities and equity of the company.

##### ***The income statement***

It summarized the company's incomes and expenditure for a particular period. Management used income statement as a measure of the relative success of their operations.

#### **2.4.2.3 Accounts Receivables**

Accounts receivable transaction involves sales on account. In computerized accounting, the computer provides a system for accounts receivables known as computerized accounts receivable system. In this a record for each customer is maintained. These records form the customer master file. Information stored for each customer includes data items such as the billing address, credit limit, discount rate, and salesperson assigned to the customer. The objective of customer satisfaction has optimized because with computerized accounts receivable system, as accounts receivable transactions are entered, the computer automatically enters the journal entries into the general ledger in shortest time possible. The computer kept a record of the balances owed by each customer and when cash on accounting is received from a customer, the credit is applied to the appropriate invoice. Hence, customers were monitored on every angle because according to Klooster and Allen (1990) when a cash discount is taken and the sale is subject to sales tax, the computer calculates the sales tax on the total amount of the invoice. However, many companies which offer a discount would not charge sales tax.

#### **2.4.2.4 Accounts payables**

In account payable, vouchers were prepared for all transactions that result in a cash disbursement. Computerized accounting recognized all these transactions through a computerized accounts payable system. In this system a record was maintained on each vendor which forms the vendor master file, where vendor address and the discount rate were stored.

To easy the work consequently, the computer stored a voucher file with a record for each voucher and a cash payment file with a record for debit memo and each release for

payment transactions. Now the computer used these data in the files to prepare the various accounts payable reports at a click of a button.

Therefore, in computerized accounting all the cash disbursement, discount and debit memo were managed automatically using computerized accounts payable systems.

#### **2.4.2.5 Sales records**

As like the purchase, the sales also had some steps to followed i.e.

- Receiving and interpreting orders

- Shipping the orders

- Determining the proper amount to be charged and the proper account to be credited and maintain a record of account receivable.

Due to the presence of large number of customers in the company it had resulted to huge volumes of sales which made it difficult to use manual processed accounting in dealing with these transactions. The emergences of computerized accounting these transactions were performed and accounts were arranged in different sequences, compute subtotal and totals.

Computerized accounting with computerized sales systems prepared sales invoices and kept the accounts receivable ledgers and facilitated the preparation of customers' monthly statement.

Thereby computerized accounting made many companies and organizations to succeed in processing large transactions of sales records and fast are reliable transmission for decision making

#### **2.4.2.6 Inventory records**

Merchandise inventory is often one of the costly assets. The degree of success a business in controlling merchandise inventory had a direct relationship to profitability. A merchandise inventory consisted of thousands of items, keeping records on these many items was very time consuming and error prone. Under computerized accounting, a computer system, computerized inventory system was adopted which could store and retrieve data as well as make computations quickly and accurately. In this system an inventory master file stored a record of each item in the inventory.

Hence, organizations with very large volumes of inventories like Hima Cement found it advantageous to use computerized inventory system to keep their inventory records because data item like stock number, description of the item unit of measure, record point and retail price could be retrieved whenever needed.

#### **2.4.2.7 The payroll**

A payroll is one of the oldest and most common data processing applications. It is composed of the names of employees, number of employees, basic salary, allowances and the deductions (NSSF, PAYE and Insurance Premium). The payroll lends itself to the computer because of its repetitive procedures and calculations. So with computerized accounting, a computerized payroll system is installed. Its primary function was to calculate and print paychecks accurately. However, the computer stored each employee's information in an employee master file and at the end of each pay period, all transaction data was entered into the computer and the transaction was stored in the payroll transactions file.

Many organizations have appreciated computerized accounting because of its ability to perform to them the hard work of displaying payroll proof reports, running the payroll

registers and checks and calculating the totals needed to make the necessary journal entries for salary expenses, payroll tax expense and withholding liabilities at a click of a button. The employees get every information concerning their operations in the organization very quickly and this motivates them to work hard.

#### **2.4.2.8 Financial statement analysis**

The basis for analysis was account balances at the end of the current year and the account balances at the end of the previous year. Under computerized accounting the account balances for both years are stored on the disk and were loaded into computer memory. This information enabled the accountant to compare and analyze the difference between the current year's and previous year's financial data. Computerized accounting could prepare this analysis immediately at the close of the accounting period or at any other time desired because the information can be retrieved easily with just a click.

#### **2.5 Customer Services delivery**

Normally when customers engage in the purchasing process may sometimes require assistance, for example in the need recognition fazes where by customers sometimes needs help in determining what they need. In fact they may need assistance in finding out what item they should buy to satisfy the need. Customer often had questions about a product characteristic before they make a purchase, as well as questions on proper maintenance and repair after the sale. Sellers must be able to assist customers in any of the phase. Therefore, such assistance was a major objective of customer service.

Turban, et al (2002), defines customer service delivery as a service or activities made available to enhance customer satisfaction, that is, the feeling that a product or service has met the customers' expectations. Kotler, (1991) defines the customer service

delivery as an activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Stanton, (1994) defines customer service delivery as identifiable, intangible activities that are the thematic object of a transaction designed to provide want satisfaction to customers.

### **2.5.1 The relationship between computerized accounting and customer service delivery.**

Computerized accounting being the process of collecting, verifying and analyzing transactions and recording these transactions in a computer where as customer service delivery is an activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything have a relation.

Due to the rapid advances in computer technology over the past four decades, there has been a significant impact on our present day society. Many companies like Hima Cement Ltd have turned to the computer to help control cost and manage their financial resources.

In the need recognition fazes where by customers sometimes needs help in determining what they need; customer often had questions about a product characteristic before they make a purchase, as well as questions on proper maintenance and repair after the sale. Sellers must be able to assist customers in any of the phase; t herefore, professional businesses managers and accountants need to know about computers because of the effectiveness of computer in accounting applications and efficient provision of customer demand.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.0 INTRODUCTION**

Research methodology is the ways, methods, tools or equipments that the researcher used to gather information about the topic.

This chapter explains the systematic attempts or procedure that helped the researcher to avoid self deception.

#### **3.1 Research designs**

Martin E. Amin defines a research design as a program or a plan for carrying out a research

The researcher used an analytical research design because this provided an opportunity to use the existing facts and information to evaluate and analyze the effects of computerized accounting on customer service delivery.

#### **3.2 Research area**

The researcher chose Hima Cement Ltd because the company has its Head Office in Kampala City. This is because it was easy for the researcher to get the necessary information in the lowest cost possible since the office is near the institution.

#### **3.3 Research instruments**

These are the instruments with which the researcher needed to collect the necessary information.

##### **3.3.1 Questionnaires**

These were commonly used to obtain important information about the population. Each item was developed to address a specified objective of the study. Only English



questionnaires were used because Hima Cement Ltd staff members mainly use English for communication and also it is the national language. The researcher used Structured or closed-ended questionnaire. This was due to the fact that structured questions were preferred among different groups of respondents and they were economical in terms of time since respondents just fill in best alternative because is normally accompanied by a list of all possible alternatives from which a respondent selects the answer that best describes the situation.

### **3.3.2 Interview schedule**

This is an oral administration of a questionnaire. The researcher therefore established a friendly relationship prior to conducting it because the researcher had to obtain information by asking question to the respondents.

### **3.3.3 Documentary review**

Documentation is one of the methods that was used by the researcher to collect data. The researcher examined relevant documents and extracted data needed. The researcher examined documents like, payment vouchers, imprested retirement form, old payroll summaries and imprested register forms.

## **3.4 Research Population**

Population is a complete set of individuals having common observable characteristics. In an approximated population size of 200 employees a sample of fifty employees was selected to represent the total population.



### **3.4.1 Sample design**

Sampling design is a clear plan of action for obtaining a sample from a given population called a target population. It is basically in two types that is probability and non probability. There are three basic method of obtaining a sample design; collecting data from the whole enterprise, collecting data from a random sample of units and collecting data from a sample unit.

### **3.4.2 Sampling method**

Sampling method involved purposive sampling because this enabled the researcher to use her judgment to select cases that best enabled her answer her research questions. Sampling consists of the following steps:

Step1; Defining the population.

The population of the survey must be clearly defined in terms of elements, sampling units, extent and time in order to differentiate it from other populations.

Step2; Specifying the sampling frame

Sampling frame is a complete list of all the cases in the population from which your sample is to be undertaken. A sampling frame must be drawn and must be complete enough to include all elements within the population.

Step3; Specifying the sampling unit

Sampling unit is the basic unit which contains the element of the population of the study.

Step4; Specifying the sampling method

The sampling method provides the way that enables the researcher to reduce the amount of data needed to be collected by considering only data from subgroup. There five choices in deciding a sampling method i.e. probability versus non probability, single unit versus cluster of units, stratified versus unstratified, equal unit probability versus unequal unit probability and single stage versus multistage.

#### Step5; Determine the sample size

The choice of sample size is governed by the confidence one needs, the margin of errors one can tolerate and the type of analysis to be undertaken. Determining a proper sample size will assist the researcher to make appropriate analysis.

#### Step6; Specifying the sampling plan

The sampling plan is a program of how the sampling will take place. It involves the specification of how each decision made will be implemented.

#### Step7; Selecting the sample

Sample selection depended on the sampling techniques. This basically requires a substantial amount of field work especially interviews.

### **3.4.3 Sample selection and size**

A sample being a small portion of a population selected to represent the whole population, in Hima Cement a random sample of fifty (50) employees were selected. This constituted 15 respondents from administration and 35 other employees.

### **3.5 Data collection method**

This involved both primary and secondary data collection;

#### **3.5.1 Primary data**

For this purpose the researcher adopted qualitative techniques like interviews to enhance the validity and consistency of the data.

#### **3.5.2 Secondary data**

This was obtained from the document reviews where the researcher had to request for the recorded information from magazines, newspapers and journals.

#### **3.5.3 Processing and analysis of data**

After the collection of data the researcher analyzed the information obtained from the company. The processing or analysis of data involves a number of closely related operations, which are performed with the purpose of summarizing the collected data and organizing these in such a manner that they answer the research questions. This can be done through editing, coding and or computer data entry. For example, using editing which is the process of examining the collected data to detect errors and omissions and to correct these where possible and using coding which is writing or printing words, letters, numbers on something so that you know what it is, what group it belongs to. It is writing a computer program by putting one system of numbers word and symbols into another system.

### **3.6 Statistical treatments of data**

For statistical data the researcher used methods like frequencies, tables, graphics and percentages to analyze the collected data.

### **3.7 Ethical consideration**

This involved permission granted to the researcher from the company. The permission was obtained from the company's management with respect to the respondents' views. This is important for the protection of the respondents from harm and confidentiality of the company's information.

### **3.8 Limitation of the study**

It was difficult for some respondents to fill the questionnaires presented to them and this reduced the validity of the research.

It was difficult for the researcher to formulate some scales for measuring some of the variables.

The researcher interviewed only a portion of the whole population and these gave information in their favor hence biased.

Due to confidentiality, the researcher was not permitted to access certain information of the company hence limit the researcher's information scope.

## CHAPTER FOUR

### FINDINGS AND ANALYSIS OF DATA

#### 4.0 INTRODUCTION

This chapter presents what a researcher found in the organization where the research was conducted. It is concerned with the data analysis and the interpretation of the findings obtained from Hima Cement ltd offices. This chapter shows the relationship between findings and literature review so as to find the impact of computerized accounting on customer service delivery at Hima Cement ltd.

In analyzing the demographic characteristics the following analysis was extracted.

**Table 4.1 The gender base of the Hima Cement Employees.**

Expected answer	Number of expected respondents	Number of respondent	percentage
Male	50	29	58%
female	50	21	42%

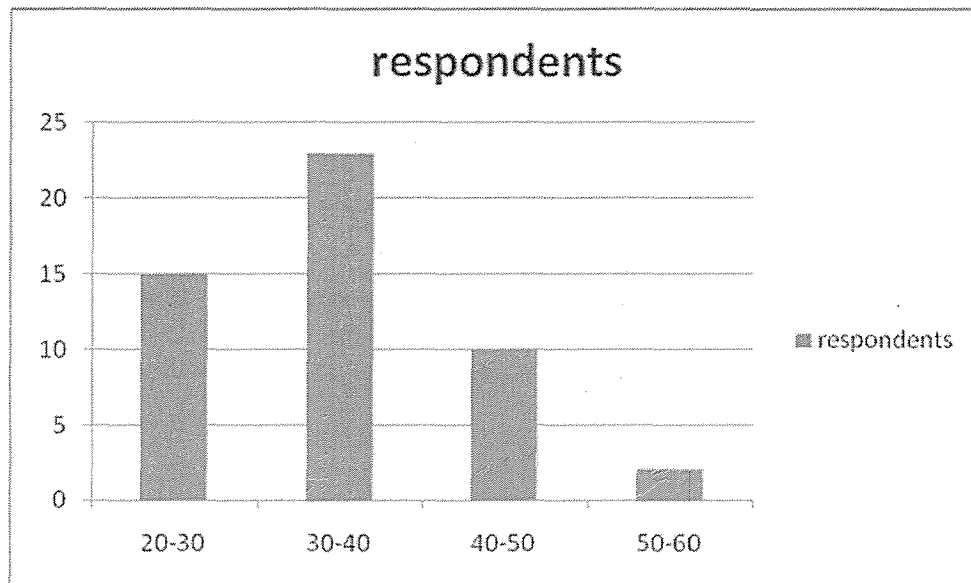
*Source; Hima Cement Employees*

#### **Interpretation**

According to the data collected by the researcher, the employee group of Hima Cement is dominated by male employees. This is due to the fact that the male option had 58% which is more than the female option which had 42%.

The age of the Hima Cement was presented on the following graph.

**Figure 4.1 A Bar Graph Showing the Age of Hima Cement Employees**



**Source;** *Hima Cement Employees*

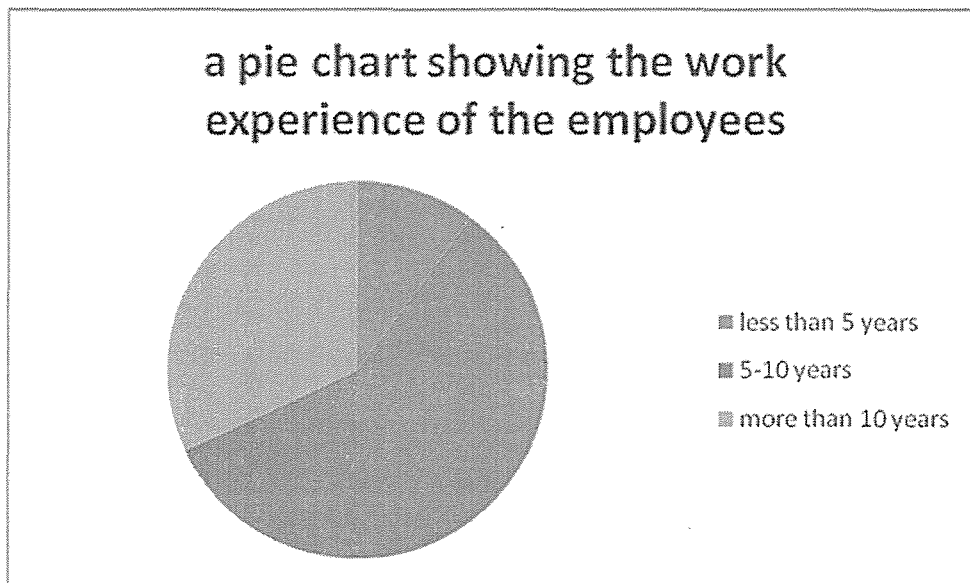
**Key**

X- Axis shows the age of the employees

Y-axis shows the number of respondents

The work experience of the employees of Hima Cement was presented of the following histogram.

**Figure 4.2**



**Source;** *Hima Cement employees.*

### **Interpretation**

Basing on the above pie chart, many of the Hima Cement employees have been working with the company for more than five tears. The is illuatrated by the large potion of the pie chart, followed by those having more than ten years in the company.

### **4.1 The Accounting System of Hima Cement Ltd**

The type and structure of accounting system of an organization depends mainly on the nature of business, the plan of the organization, the kinds of transaction volume and the location of the physical facilities.

The accountant was responsible of preparing and maintaining the books of accounts on all its transactions in accordance with accounting principles and guidelines so as to meet the company's vision of being the leading market. The accuracy and speed in preparing

the accounting information mainly depends on the competence of the accounting personnel, which is the most important aspect in modern accounting.

#### **4.1.1 Computer literacy of accounting staff members of Hima Cement**

This was administered by the question 'are all staff members in accounting department computer literate?' this was responded as shown on the table below.

**Table 4.2: Response of questionnaires on computer literacy of accounting staff members.**

Expected answer	Number of expected respondents	Number of respondent	percentage
Yes	12	12	100%
No	12	0	0%

**Source:** *Hima Cement employees in the finance department*

#### **Interpretation**

According to the data collected by the researcher, the accounting staffs of Hima Cement Ltd are Computer Literate. This is because; the data analyzed show that 100% of the staff members responded yes. Nevertheless the researcher was able to verify this during interview that the Customer Care Centre and the Head Office (where the accounting department is) are situated separately. Therefore, to ensure smooth operation the staffs have to be conversant with computer since the two offices base on intranet to coordinate with the operations.



## 4.2 The impact of Computerized Accounting

The aim of companies to computerize their accounting systems is to perform the processing of data electronically, more quickly than if it were to be done manually in order to avoid delaying customers. However this depends on the level of computer literacy of the staff members in the accounting department. Not only that but also the packages used in the accounting department. Under this the objective was to determine the results computerized accounting of Hima Cement Ltd.

Therefore to begin with the question was 'what packages of computer are applied in the accounting department?' the following was the response.

**Table 4.2 Response of Questionnaires on the computer packages applied in accounting department.**

Expected answer	Number of expected respondents	Number of respondents	Percentage
Tally	12	0	0%
Others (SAP)	12	12	100%

**Source:** *Hima Cement employees in the finance department*

### Interpretation

The accounting package used in the accounting department was SAP. This was analyzed by the researcher basing on the data collected which showed that the accounting department was not using Tally package. This was because the Tally option on the questionnaire showed 0% of the respondents and others had 100% of the respondents which was SAP.

In this ever changing economy computerized accounting has won the greatest credit for the fantastic work it is providing. Especially in a big company like Hima Cement, computerized accounting has been credited for its automation and speeding of operations in the Company hence simplifying activities through SAP.

SAP is the leading Enterprise Information and Management package worldwide. The use of this package makes it possible to track and manage in real-time sales, production, finance accounting and human resource in the Company.

For Financial Accounting it is designed to automate management and external reporting of the General Ledger, Accounts Receivables, Accounts Payables, among all the associated transactions records.

As entries are made relating to sales, production and payment journal entries are automatically posted. This connection means that the “books” are designed to reflect the real situation at that particular time.

#### **4.2.1 Problems associated with preparation of accounting information**

Computer like any other tool have a number of weaknesses which present certain constraints on the way they can be used, for example, viruses. These weaknesses lead to the processing of error information. This was revealed during the interview when many of the respondents were complaining about computer viruses and program corruption. However, the company is applying all it can to make sure that the problems solved before affecting the system seriously hence maintaining a smooth operation of its activities.

#### 4.2.2 Customer complains on receiving services or information

For the purpose of getting information the question administered was ‘have customers complained about any delay in receiving services or information from the company?’

This was presented to the whole sample of respondents and the following were the responses.

**Table 4.3 Responses of questionnaire on customer complains on receiving services or information**

Expected answer	Number of expected respondents	Number of respondents	Percentage
Yes	50	20	40%
No	50	30	60%

**Source:** *Hima Cement Employees*

#### Interpretation

According to the data collected by the researcher, customers have complained during receiving services or information. This is shown by the responses given by the respondents where 40% of the respondents responded ‘yes’ and 60% of the respondents responded ‘no’. The researcher verified this herself because sometimes she could be kept waiting for a respondent who had gone to settle customer issues.

#### **4.3 The relationship between computerized accounting and customer service delivery**

According to the data collected computerized accounting and customer service delivery were related in such a way that the two provide efficient accounting information and make sure that the customer satisfaction is met. Due to the use of computerized accounting, Hima Cement has experienced quick delivery of service to its customers.

Computerized accounting helps to provide accurate accounting information which also helps the accountant to make self analysis basing on the information. For example, the increase in the number of sales can be analyzed that customers are satisfied. Nevertheless, the accuracy in the information ensures efficient service delivery to the customers.

## CHAPTER FIVE

### SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### 5.0 INTRODUCTION

The study was conducted at Hima Cement Ltd Office in Kampala. In this chapter the researcher was concerned about giving out the summary, conclusion and make the necessary recommendations of the study conducted.

#### 5.1 SUMMARY.

##### *The accounting system of Hima Cement*

Under the objective of determining the accounting system of Hima Cement, the accountant was under responsibility of recording all the accounting transactions. The major accounting package used in the accounting department was SAP.

##### *The impact of computerized accounting on customer service delivery*

Computerized accounting was recognized to be fast in processing transaction information hence quick in customer service delivery. It was accurate thereby few errors were identified in delivery.

##### *The relationship between computerized accounting and customer service delivery*

Both accounting and customer care departments are computerized. This made it easy for these departments to cooperate in their activities even though they are separated. Moreover computerized accounting is flexible.

## 5.2 CONCLUSION.

### *The Accounting System of Hima Cement Ltd*

The analysis indicates that the accounting system of Hima Cement Ltd if fully computerized; a lot of accounting work is done computerize.

The use of SAP package of accounting has brought so much success in improving the performance of Hima Cement accounting system.

### *The Impact of Computerized Accounting on Customer Service Delivery*

Although there were a few errors reported by the customers, computerized accounting played a big part in improving and keeping the accounting system up-to-date.

### *The relationship between computerized accounting and customer service delivery*

Hima Cement has also computerized the Customer Care Centre. This is due to the fact that the accounts department and the customer care centre are not located at the same place. Therefore, computerizing both departments made the company's operations between them smoother since it's just a fix of intranet and the two offices are on the same line doing business well.

So Hima cement especially accounting department should continue operating with computer in performing different tasks of accounting work.

### 5.3 RECOMMENDATIONS

#### *The accounting system of Hima Cement Ltd*

It is important to keep training programs under constant review and to provide additional training so that the accounting staffs are up to date in the execution of accounting information.

#### *The impact of computerized accounting on customer service delivery*

The accounting department and customer care centre should be encouraged to continue with the computerization of their activities. This will make it simple for data transfer from the customer care centre to the accounting department.

#### *The relationship between computerized accounting and customer service delivery*

The customer care centre should be made in such a way that orders can be placed in an electronic manner so as to ease the work of the accountants and also to reduce or even eliminate customer complaints and be able to meet the ever increasing customer demand.

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## APPENDICES

### APPENDIX 1

#### QUESTIONNAIRE FOR THE ADMINISTRATION OF HIMA CEMENT LTD

Dear Respondent

I am pleased to have you selected as one of the respondents as regard to this study 'the impact of computerized accounting on customer service delivery' this study is carried out as a partial fulfillment for the award of Bachelors Degree of Business Administration Accounting option of Kampala International University. The information obtained will be treated with confidentiality.

Tick where applicable

1. Position held.....

2. Period spent in the company

☐ Less than a year

☐ 1-5 years

☐ More than 5 years

3. Gender

☐ Male

☐ female

4. Is Hima Cement Ltd accounting system computerized?

☐ Yes

☐ no

5. Are Hima staff members in accounting and finance section computer literate?

☐ Yes

☐ No

**Thanks for your cooperation and contribution**

## APPENDIX II

### QUESTIONNAIRE FOR EMPLOYEES OF HIMA CEMENT LTD

Dear respondent

This questionnaire is designed to seek information in the impact of computerized accounting on customer service delivery. It is for the partial fulfillment for the award of Bachelors Degree of Business Administration Accounting option of Kampala International University. Your contribution experience and opinions will be highly appreciated.

1. Gender:

☐

Male

☐

Female

2. Age

☐

Below 30 yrs

☐

30-50 years

☐

above 50 years

3. How long have you worked in Hima Cement Ltd?

☐

Below 5 years

☐

5-10 years

☐

above 10 years

4. Which category of staff in accounting and finance do you belong?

.....

6. Are financial reports and other accounting information produced quickly, timely and on regular basis whenever they are needed?

☐

Yes

☐

No

7. Is computerized accounting benefiting the company?

☐

Yes

☐

No

8. What do you think could be the relationship between computerized accounting and customer service delivery?

**Thanks for your cooperation and contribution**

### **APPENDIX III**

#### **INTERVIEW GUIDE FOR THE EMPLOYEES OF HIMA CEMENT LTD**

1. Which department do you work in Hima Cement Ltd?
2. Is accounting department computerized?
3. Are all the staff members in accounting department computer literate?
4. What packages of computer are applied in the accounting department?
5. Are there any errors associated with the preparations of financial reports and other accounting information?
6. Have customers complained about any delay in receiving services or information from the company?
7. Is computerized accounting benefiting the company?
8. How do you think computerized accounting has affected customer service delivery?



**OFFICE OF THE DEAN  
SCHOOL OF BUSINESS AND MANAGEMENT**

Date: 26<sup>th</sup> May, 2009

Our Ref: KIU/SBM/RL/002-05/09

THE HUMAN RESOURCE MANAGER,  
HIMA CEMENT LTD.

Dear Sir/Madam,

**RE: GOVI EUNICE MBEYU REG.NO.BBA/9748/61/DF**

The above mentioned is a bonafide student of Kampala International University pursuing a Bachelor of Business Administration ( Accounting Option) programme in the School of Business and Management of the University.

She is currently conducting field research and the title of the Research project is "IMPACT OF COMPUTERIZED ACCOUNTING ON CUSTOMER SERVICE DELIVERY" A CASE STUDY OF HIMA CEMENT LTD. As part of her studies (research work) she has to collect relevant information through questionnaires, interviews and other relevant reading materials.

The purpose of this letter is to please request you to avail her with the necessary information she may need.

All and any information shared with her will be used for academic purposes only and we promise to share our findings with your institution.

Any assistance rendered to her in this regard will be highly appreciated.

Yours Sincerely,

**DR. ALFRED NUWAGABA  
DEAN SCHOOL OF BUSINESS AND MANAGEMENT**