

**THE APPLICATION OF THE ACCOUNTING PACKAGE ON
PROVISION OF FINANCIAL STATEMENTS**

**THE CASE OF NATIONAL BANK OF COMMERCE (NBC)
CORPORATE BRANCH, DAR-ES-SALAAM CITY.**

By

Alex Celestine Kingi

A Dissertation Submitted to in Partial Fulfillment of the Requirements for the
Award of Degree of Master in Accounting and Finance (MSc. A & F) of Mzumbe
University.

2013

CERTIFICATION

We, the undersigned, certify that we have read and hereby recommend for **acceptance by the Mzumbe University, a dissertation/thesis entitled Application of Accounting Packaging in Provision of Financial Statement**: The case of NBC Corporate Branch, in partial fulfillment of the requirements for award of the degree of Masters of Accounting and Finance of Mzumbe University.

.....
Major Supervisor

.....
Internal Examiner

Accepted for the Board of

DEANDIRECTORFACULTY/DIRECTORATE/SCHOOL/BOARD

DECLARATION

AND

COPYRIGHT

I, **Alex Celestine Kingi** declare that this thesis is my own original work and that it has not been presented and will not be presented to any other university for similar or any other degree award.

Signature_____

Date_____

©

This dissertation is a copyright material protected under the Berne Convention, the Copyright Act 1999 and other international and national enactments, in that behalf, on intellectual property. It may not be reproduced by any means in full or in part, except for short extracts in fair dealings, for research or private study, critical scholarly review or discourse with an acknowledgment without the written permission of Mzumbe University, on behalf of the author.

ACKNOWLEDGEMENT

I would like to extend my sincere gratitude to all those who helped me through this Period. I would like to thank my supervisors Dr. Stella Kinemo for guiding me through this ordeal.

I wish also to thank Zuhura Mapunda for the technical support especially in data analysis.

I would like to thank my employers and fellow employees of CRDB Bank Plc.

Last but not least my gratitude goes to my family without whose support I would not have done this Masters degree. Needless to mention are my children (with whom I have been competing for reading space); Frolentina Kingi, Miriam Kingi and above all my dear wife Joyce.

Thank you all for bearing with my absence from you in quest for completing these studies. For all the above various people, I owe this achievement and I will forever remain sincerely indebted.

DEDICATION

This work is dedicated to my uncle with whom our father and mother left us and he tirelessly sought and gave us the education so needed by the six of us.

ABBREVIATION

AAA	-	American accountancy association
AICPA	-	American Institute of Certified Public Accountants
FASB	-	Financial Accounting Standard Board
GL	-	General Ledger
IASB	-	International Accounting Standard Board
IBM	-	International Business Machine
MIS	-	Management Information System
NBC	-	National Bank of Commerce
NGO's	-	Non Government Organizations

ABSTRACT

Many Companies, organizations, and NGO's has established the use of Computers as well as the accounting packages that will help them in preparation of different books of accounts like, general ledger, account receivable, account payable as well as inventory control, these books will help them in preparation of financial statements. Larger firms may choose to implement a customized solution which integrates a vast amount of data from many different departments. For smaller firms often choose an off the shelf product.

Emergence of computers has enhanced the efficiency and effectiveness of accounting package and data storage in all financial institutions. Before initiation of computers most organization had various information systems. The introduction of computer technology in organizations facilitates the implementation of centralized information system to all departments of an organization.

In this study the researcher examined the efficiency of accounting packages used by NBC Corporate branch in terms of speed, accuracy, scalability and power as well as factors affecting the application of accounting packages and finding the solution so as to minimize the risk involved. The data collection methods used by the researcher were interview and questionnaire. The report was written to summarize all the activities and information gathered during data collection. Simple randomly sampling from staffs in Accounts and Finance Department, sampling method, and purposive sampling to other staffs engaged in accounting package will be used as the main sampling techniques.

TABLE OF CONTENTS

	Page
CERTIFICATION	Error! Bookmark not defined.
DECLARATION AND COPYRIGHT.....	Error! Bookmark not defined.
ACKNOWLEDGEMENT	ii
DEDICATION	iv
ABBREVIATION.....	v
ABSTRACT.....	vi
LIST OF TABLES	ix
LIST OF FIGURES	x
CHAPTER ONE	1
BACKGROUND INFORMATION	x
1.1 Historical Background of NBC	6
1.2 Statement of the problem.....	7
1.4 Research Objectives.....	9
1.4.1 General objective	9
1.5 Scope of the study.....	9
1.6 Significance of the Study.....	10
1.7 Limitation of the study.....	10
CHAPTER TWO	12
LITERATURE REVIEW	12
2.1 Advantage of Computerized accounting system.	20
2.2 Empirical Review	25
2.3 Conceptual Framework.....	28
CHAPTER THREE	32
RESEARCH METHODOLOGY	32
3.1 Research Design	32

3.2	Study Area	32
3.3	Study population	32
3.4	Sample size and sampling Technique.....	33
3.4.1	Sample Size	33
3.5	Types and source of data	34
3.6	Data collection method	34
CHAPTER FOUR.....		39
DATA ANALYSIS AND INTERPRETATION OF FINDINGS.....		39
4.1	Introduction.....	39
4.7	The factors considered when choosing the application package to the organization like NBC	50
CHAPTER FIVE		52
SUMMARY, CONCLUSIONS, AND POLICY IMPLICATION.....		52
5.0	Introduction.....	52
5.1	Findings of the Study.....	55
REFERENCES.....		60
APPENDICES		62

LIST OF TABLES

	Page
Table 4.1 : Age of Respondents.....	41
Table 4.2 : Gender of Respondents.....	42
Table 4.3 : Marital status of Respondents.....	42
Table 4.4 : Education level of Respondents.....	43
Table 4.5 : Duration in employment.....	43
Table 4.6 Do you have capable staffs who are working with application of accounting package in your organization.....	44
Table 4.7 : Are the staffs engaged in accounting package well skilled.....	45
Table 4.8 : Is the system understood to all staffs.....	46
Table 4.9 : Is the accounting package relevant to organization.....	46
Table 4.10: Measurement of relevancy in accounting package.....	47
Table 4.11 : Is the system reliable.....	47
Table 4.12 : Advantages of accounting package.....	48
Table 4.13: Disadvantages of accounting package.....	49
Table 4.14-4.15: Challenges of applying accounting package.....	51
Table 4.16: Suggestions on improvement of application on accounting package.....	52
Table 4.17: Factors to be considered when choosing the application of accounting package.....	53

LIST OF FIGURES

	Page
Figure 4.1 : Capability of staffs.....	44
Figure 4.2 :.Staff engaged in accounting package	45

CHAPTER ONE

BACKGROUND INFORMATION

1.1 Introduction

Accounting software packages have become common place for many organizations in recording business transactions, preparing financial statements and analyzing operations. Accounting software has freed accountants from the manual recording and presentation of financial data. By using accounting software, financial transactions would be recorded more quickly and accurately at a relatively low cost. Moreover, accounting software packages increased overall operational effectiveness by improving both the quantity and quality of management information available (Collins, 1999; Fisher and Fisher, 2001; and Abu-Musa, 2004).

Years ago, when personal computers were just coming into their own, accounting software was relatively simple. Its single function was to automate the task of double-entry accounting and produce a straightforward balance sheet. As computers became more robust and integrated databases standardized, accounting software developers added more functions-including cost accounting, manufacturing resource planning, customer resource management, human resources, and payroll (Jones, 2002).

Mattingly (2001) stated that choosing the right accounting software is becoming more difficult as the software market becomes increasingly fragmented. In many cases, more product information makes decision-making more difficult rather than less. The risks of leaping into an expensive purchase decision are hard to assess. Collins (1999) also confirmed that selecting the appropriate accounting software for an organization requires a close investigation of many diverse areas. It has been observed that, in selecting accounting software many organizations emphasize on

satisfying their current and short term needs for information and financial and non-financial reports, rather than their future and long term needs.

According to Collins (1999) an organization's long-term needs is an area that often gets lost in the technical assessments of accounting software. It is critical that one should evaluate an organization's requirements beyond the immediate and short term needs. It is also argued that businesses grow and so do their accounting software needs.

Henry (1997) confirmed that the steady decline in the price of information technology and the increasing availability of off the shelf accounting software have led more and more businesses of any size to automate all or part of their accounting functions. Further, in an effort to be extremely user friendly, accounting software requires little knowledge of accounting to be put to effective use. User-friendly accounting software might also create significant risks related to the security and integrity of computer and communication systems, data, and management information. West and Zoladz (1993) stated that although computers provide many benefits, inherent computer security issues are not often addressed by management. Many organizations do not realize the importance of computer security until some unauthorized modification to a payroll file, or some other events, occur. Because information might be an organization's most valuable asset, leaving it without protection is tantamount to underinsuring fixed assets or inventory. Accordingly, in selecting accounting software package, organizations can no longer afford to ignore the importance of information security in the light of computer fraud, hackers, computer viruses, and other security threats (Abu-Musa, 2004).

Jones (2002) argued that in selecting accounting software and the attributes one wants in that accounting software resembles in many ways those one is likely to seek when choosing a spouse. One wants a faithful (accurate) helpmate who grows with him / her (capable of being scaled up). One wants someone he/she can treasure through sickness (financial loss) and in health (profitable growth). One wants the candidate to be capable of intimacy (keep confidences) yet be open to recognizing his or her faults (an audit function to find and fix errors). And most important one

wants the relationship to be long lasting-without the need for expensive and debilitating upgrades.

Selecting the most appropriate accounting software package has become one of the most critical decisions for most organizations in the fast-changing business world. Therefore, the accounting software package an organization chooses should be the one that best serves its current needs and can most easily be adapted to satisfy its future needs for information and financial and non-financial reports. Selecting the right accounting software package cannot be taken lightly. If the wrong accounting software is selected the company would be faced with spending a great deal of time and money to acquire and implement a new one.

Selecting the wrong accounting software would be a complete disaster for an organization; it might lead to great financial losses, and possibly even bankruptcy. Therefore, it is recommended that an organization should spend a considerable time researching all aspects of the accounting software before taking a decision of buying it. It is argued that purchasing an accounting software package could be the most important company purchase during its life, and should be treated as one of the most important strategic decisions. Simkin, (1992); Tavakolian,(1995); West and Shields, (1998); Tate, (1999); Soukup, (2000), Mattingly, (2001); Basile et al. (2002); Deshmukh and Romine, (2002); Sampson, (2003); and Abu-Musa, (2004).

Accordingly, Collins (1999) advised that an organization should assess the way that its employees use the applications and their needs should be considered in the purchasing decision. However, this does not imply that needs of everyone should be given equal weight. For example, bookkeepers and data-entry staff might tend to place more emphasis on the data-entry task of getting cash and inventory in and out the door, while accountants would focus on providing management with the necessary financial and non-financial reports. It is argued that those making buying decisions rely heavily on the bookkeepers' and data-entry clerks' assessment of needs and give short shrift to the product's reporting capabilities.

Acquiring the most appropriate accounting software would not be an easy task. One would face many challenges to get accurate and valid information that might be needed to evaluate the competent accounting software packages, and to take the right selection decision. Trade shows, seminars, and magazine articles related to selecting accounting software are typically just telling one about the good stuff. The vendors at trade shows usually provide the users with fancy brochures in which they show the competitive advantages and capabilities of their products. Vendors often skim over or hide the weaknesses or missing bits in their accounting software. They usually try to convince the customer that their product will do all what he/she wants, whether this is actually the case or not. It is less likely or almost impossible that vendors would inform the customer about what is missing or what is wrong with their product Collins,(1999); Tate(, 1999); and Abu-Musa,(2004).

The lack of reliable independent source of information makes selecting the appropriate accounting software for an organization more complicated. Moreover, many organizations – especially new established ones- might not have comprehensive and well-developed lists of their current and future needs for accounting software, which make selecting appropriate accounting software a very difficult task. An organization transferring from manual to computerized accounting systems might lack clear guidelines regarding the main criteria that should be considered in selecting appropriate accounting software, such an organization might have low expectations regarding the capabilities of accounting software, believing that using accounting software would result only in just recording and processing financial transactions much faster and more accurate. On the other hand, organizations that are facing some problems and shortcomings related to their computerized accounting system in place would expect the new software to solve their current problems - overlooking future needs. Accordingly, Collins (1999) advised that an organization should assess the way that its employees use the applications and their needs should be considered in the purchasing decision. However, this does not imply that needs of everyone should be given equal weight. For example, bookkeepers and data-entry staff might tend to place more emphasis on the data-entry task of getting cash and inventory in and out the door, while

accountants would focus on providing management with the necessary financial and non-financial reports. It is argued that those making buying decisions rely heavily on the bookkeepers' and data-entry clerks' assessments of needs and give short shrift to the product are reporting capabilities. The lack of reliable independent source of information makes selecting the appropriate accounting software for an organization more complicated. Moreover, many organizations – especially new established ones – might not have comprehensive and well-developed lists of their current and future needs for accounting software, which make selecting appropriate accounting software a very difficult task. An organization transferring from manual to computerized accounting systems might lack clear guidelines regarding the main criteria that should be considered in selecting appropriate accounting software, such an organization might have low expectations regarding the capabilities of accounting software, believing that using accounting software would result only in just recording and processing financial transactions much faster and more accurate. On the other hand, organizations that are facing some problems and shortcomings related to their computerized accounting system in place would expect the new software to solve their current problems - overlooking future needs.

Accordingly, business strategies and future plans might not be considerably taken into account in such a strategic decision. Reviewing the available literature revealed that there were neither an integrated comprehensive theoretical framework nor a mathematical model of the main factors and determinants that should be considered in selecting the appropriate accounting software for an organization. The arbitrary selection of accounting software would be a real disaster. Many organizations still believe that no one can guarantee that the selected software would match its current and futures needs for information until the accounting software is completely installed and successfully running. However, it might take a month or few months of operations to investigate whether the selected accounting software satisfies an organization's needs, and by then it would be too late to change it.

Due to spread of new technology around the world the application of accounting packages in organization becomes inevitable. This is due to the fact that packages

help in achieving best performance as well as full utilization of time in their business operation.

Nevertheless some problems may arise on the process of using the computerized accounting system like failure of the system, network problem especially in developing country like Tanzania.

In this study the analysis of computerized accounting will be given and the research will be conducted in one of the famous bank in Tanzania known as National Bank of Commerce (NBC)

This chapter will cover the fundamental definition of key terms as used in this study and relevance of theories and principles.

Historical Background of NBC:

NBC Ltd. was formed on 1st April 2000 when NBC (1997) Ltd. was privatized and sold to ABSA Group Ltd. of South Africa. NBC (1997) Ltd. was itself born out of the nationalization of banks and financial institutions in Tanzania in 1967. Tanzania later deregulated banking in 1991. In 1997 a decision was taken to split NBC into three entities, namely NBC Holding Corporation, National Micro-finance Bank (NMB) and NBC (1997) Limited. This was the first step towards the privatization of NBC.

NBC Ltd. needs to be seen as a partner with government, and other organizations, in promoting the socio-economic development and prosperity of Tanzania. The government of the Republic of Tanzania has committed itself to transforming the economy of the country from being public-sector driven to being private-sector driven. To this end, privatization has been chosen as one of the key routes by government. Privatization entails that government is moving out of business - as in the management of companies - and promoting an enabling environment for economic growth and development as supported by the private sector. (www.nbetz.com).

1.2 Statement of the problem

Due to the development of technology, the application of accounting packages is becoming inevitable to many organizations in Tanzania, though some problems may arise on the process using the packages/systems especially in developing countries like Tanzania. Choosing the right package that suits the needs of the organization is one of the problems that face the local institutions. Therefore this study is intended in seeing the suitability of accounting packages in provision of the financial statement. If the accounting system is not properly set up to meet the requirement of the business due to badly programmed or inappropriate software or hardware or requirement of in-depth knowledge of computer accounting can cause more havoc and danger of computer fraud if proper level of control and security whether internal and external are not properly been instituted. National bank of commerce is one of the few financial institutions in Tanzania that use computerized system using for daily banking operation.

Findings of the study revealed that the advantages of using accounting package in an organization are a large amount of data can be processed very quickly, Computerized systems are more accurate than manual system and Less prone to human errors and you can print report with no preparation, Others say that a computer is capable of handling and Processing large volume of data, that once the data has been input, computerized System can analyze of data rapidly to present useful control information for manages such as Trial Balances or Debtors schedule and the other advantage of accounting package is the package can be used by non specialist .

Also,the findings revealed that majority of the respondents says that one of the disadvantage is, they rely on computer and power which may fail and computers are used more efficiently if vital information is expressed in the form of codes, and others say that Initial time and costs involved in installing the system, training, and personnel, The need for security checks to make sure that unauthorized personnel do not gain access to data files and The necessity to develop a system of coding and

checking others says that Lack of audit trail it is not always easy to see where a mistake has been made .

The further findings shows the challenges faced by NBC when applying accounting packaging, Respondents list the challenges such as Power failure ,Computer viruses and Hacker are omnipresent with their tools of destruction, Any data that is being fed has to Be checked carefully because any mistake there and the output could be affected, The package costs and others says that the absence of a suitable accounting Software or used purely for tax purpose once a year leave the financial performance of the business to the intuition of the management and is unmeasured.

1.3 Research questions

- (i) What is the capability of the Bank to use the accounting package in terms of availability of skills and number of staffs?
- (ii) Is the system of application package relevance, reliability and understood to the decision makers of the organization.
- (iii) What are the advantages and disadvantages of the effective usage of the application packages?
- (iv) What are the factors that hinder the effective usage of the application packages?
- (v) What are the solutions to the problems hindering the effective usage of the application packages?
- (vi) What are the factors to consider when choosing the application package to the organization like NBC

1.4 Research Objectives

1.4.1 General objective

To assess the usage and application of the accounting packages in an organization (NBC ltd)

Specific objectives

- (i) To examine the capability of the bank to use the accounting package in terms of availability of skills and number of staff
- (ii) To find out understandability to the decision makers, relevance and reliability of the application package
- (iii) To find out the advantages and disadvantages of using accounting packages.
- (iv) To identify the factors those hinder the effective usage of the application packages in NBC ltd.
- (v) To suggest the possible solutions for the problems hindering the valuable usage of the application packages
- (vi) To identify the factors to be considered when choosing the application package to the organization like NBC.

1.5 Scope of the study

The research will be conducted at NBC Corporate branch offices in Dar-es-salaam region. The study will involve entirely the accounting department together with the IT department. The study will begin at checking the usage of the flex cube from the point the bank transactions starts to the point where the final statements are prepared

1.6 Significance of the Study

The following are the significances of the study,

- (i) The findings from this study will provide the knowledge and understandings of the application of the accounting packages in provision of financial statements.
- (ii) The study will reveal the problems on the application of accounting packages and the way of overcoming them.
- (iii) The study will give out the way the management can improve its efficiency on the application of the accounting packages.
- (iv) It is one of the requirements by the Institute to be fulfilled for the award of Master Degree in Finance and Accounts.
- (v) The findings from the study will be useful in suggesting ways of improving computerized accounting for the provision of financial statement in the organization.

1.7 Limitation of the study

Lack of enough information

Normally the bank managements are very discreet, therefore knowing what one will be able to do and what information will be accessible for the research will be a limiting factor for the successful drawing of the final results.

Lack of fund

The researcher is neither sponsored by his employee nor by any other institution as most of the university students do, this would therefore make it difficult for the researcher to meet and the smoothly the goals and objectives of the research.

Discreet nature

Most of the bank operators are very discreet due to the nature of their work and to provide security to their bank. This would result to lack of some crucial information for the researcher.

Limited Time

Since the researcher is an employee in the banking industry, and most of the banks tend to utilize their employee to the maximum level due to the nature of their business, time will be the limiting factor for the researcher since he has a limited time to collect data.

CHAPTER TWO

LITERATURE REVIEW

This chapter gives in detail the theoretical background laid down by different authors with respect of accounting information generated from accounting information system in decision making process.

The part presents reviews of literature related to the interest of the study. It covers out the benefits of data storage and process in computerized accounting system (packages) in organization in Tanzania. Following the facts about the accounting packages, there is a need of making a thorough review of what experts of the accounting packages have said about it. Different authors provide theoretical background about accounting packages but before embarking on review of various concepts laid down about it, they directly start defining accounting as follows,

Collins (1999) argued that the single most important question is whether the accounting software could be customized - and if it could, whether the amount of customization is capable of meeting an organization's requirements. Vendor reliability would be also critical. No matter how good a product is, users still have to rely on the vendor. It is usually advised to avoid vendors with limited resources. Since a primary objective of any financial accounting system is producing accurate and reliable financial statements on a timely basis, one should be sure that the accounting software being considered would produce the kind of financial reports that are required - and that it included a wide variety of financial and business reporting ratios.

Morey (1999) mentioned that organizations are using technology to provide themselves with increasing efficiencies and competitive advantages in the market place. Used strategically, technology can be the differentiating factor that separates a company from the competition and provides new opportunities for growth. The overriding consideration is finding software compatible with a company's long-term

business goals and the needs of tenants and clients. However, caution must be exercised to keep the planning, implementation, and use of information systems focused on supporting business strategies, organizational structure, and operational requirements-not an end unto itself.

According to Gurton (2001), power and ease of use are no longer the only criteria for selecting an accounting system. Ease of use is still important but compatibility has increased in importance, too. Now that companies need to communicate via the Internet or Intranet, all must conform to the same standards of transmission and file structures. Despite claims of compatibility, however, it is frequently lacking at the level necessary.

The new web-based technology does not only mean universal connectivity, but also inter-operability throughout the enterprise and the embracing of new business techniques like customer relations management. The accountant needs to take a holistic view of the business's needs to ensure that all requirements, now and in the future, will be met.

Collins (1999) argued that there is an old saying, if you ask the wrong question; you are likely to get the wrong answer. That certainly applies when accountants ask which accounting software product is the best. The fact is, there is no best accounting software.

There is no single product that suits everyone's needs; but there are probably several that suit one company's specific requirements. So, since the problem is matching software products with a user, the correct question is: how should I go about finding the packages that are right for my business or client? When it comes to accounting software, the search begins by examining both the products' features and the vendors behind the products.

Collins (1999) also stated that because accounting software contains hundreds-if not thousands-of features, this may seem like an overwhelming task. While such

assessments are not exactly easy, they are not overly difficult, because only a handful of features are critical to making the right choice and one should focus on those features.

During the selection process, it is important to document each accounting software package, its features, its pros and cons, and whether it fits an organization's needs. This information will make it easier to narrow down the choices by developing a short list of promising accounting software. The current and future end users' requirements, the nature of business and its size, IT environment and infrastructure, the accounting software features and the vendors' capabilities of the accounting software packages should be assessed and considered in order to select appropriate software package for an organization.

The main factors that should be considered in selecting accounting software packages

End user requirements

One of the biggest technology issues facing start-up and smaller companies is choosing the most effective accounting software. Small businesses must remember that the right accounting package is the one that best services the current needs of the business and that can be most easily adapted to their future needs. However, the right solution goes beyond just accounting software, customers' support is also important, especially at the outset Basile et al.,(2002). Therefore, it is helpful to think of the software selection decision as a two-fold process: the first step is to decide which features are most important; in the second step, one selects the software that best matches these needs Simkin, (1992).

Acquiring appropriate accounting software for an organization could be a real challenge, and should not be undertaken without serious forethought. Certain crucial factors should be taken into consideration before obtaining the accounting software package. One should assess the business' requirements for information and financial and non-financial reports before investing in any accounting software package. The main features and attributes of the selected accounting software package should be

able to satisfy the business current and future needs. The main factors affecting the end users' current and future requirements of accounting software package will be discussed in the following sections.

Current Needs

The company must ascertain the problems with the current system. Before deciding that new software is needed, make sure that the most current version is running on the right system. Pinpointing the problems with the current system will help determine what the company should look for in a new package. All employees should have an opportunity to explain their problems with the current system and their expectation of the new system. Once the analysis is complete, the company should eliminate software packages that clearly do not fulfill their needs. This entails evaluating what each program has to offer against what the company requires from their accounting software Basile et al., (2002).

Simkin (1992) stated that the accounting software features required by end users are usually dictated by the nature of their organization and can generally be determined by analyzing their existing accounting systems. For example, if an organization sells both products and services, it would require software that can bill for both products and services. Similarly, if an organization requires departmentalized accounting, it must have software that supports this function. Simkin (1992) cautioned that one should not have to trust someone else regarding the vital features he / she required in the accounting software . For example , if the user must have network capability or departmentalized.

The selected accounting software package should help the user to manage the business better by tracking receivables, managing cash flow, controlling inventory and, in addition it should convey the user's financial position and empower them to make important decisions based on objective information. Accounting software should also support report generation, e-commerce, electronic fund transfer, tax requirements, multiple exchange rates and conversion methods, and the ability to

translate into other languages Soukup, (2000); Mattingly, (2001); Deshmukh and Romine, (2002); and Abu-Musa, (2004).

Business Size

An organization should decide the expected number of individuals who might use the accounting software simultaneously. It is observed that almost all the top accounting software publishers provide retail pricing for the cost of the eight core modules (general ledger, accounts receivable, accounts payable, payroll, inventory, order entry, job costing, and system management) for 1 user, 5 users, 10 users, 25 users, and 100 users. An organization should select the appropriate accounting software package according to the expected number of users who might use the accounting software at the same time. According to Mattingly (2001), businesses that anticipate increasing numbers of transactions, or many additional users, will want a scalable database to handle their growth. This may considerably increase the software's cost and significantly affect the usual variables of implementation and support.

Business Type

Accounting software packages might be classified as: (a) general accounting software, and (b) specialized accounting software. Specialized accounting software are designed especially to fit the requirements and special needs of some users such as Government Accounting, Fund accounting, Property Management, Oil and Gas, Farming, and General Accounting and Manufacturing software packages. The most popular specialized accounting software packages that have done a good job in specific industries are: Blackbaud (Donor Software), American Fundware (Fund Accounting), Deltek (Government Accounting), Squirrel (Restaurants), Yardi (Property Management), Sun Systems (Oil and Gas), Cougar Mountain (low-end to mid range), Red Wing (farming and general accounting), CYMA (general accounting for the mid range), and Made2Manage (Manufacturing).

Future Needs

West and Shields (1998) stated that selecting accounting software should be considered as a strategic decision. Strategic selection is more about selecting a strategic business partner than it is about finding the one best package. It is more about having flexibility to meet future needs than it is about meeting specific current needs. The goal is to get top management's commitment to technology that enables change in the organization, not merely to select and put in a new software package.

Therefore, selections should address the strategies and issues of the organization at the top levels. These systems should be chosen with the strategic needs of the organization in mind and not be focused on lower-level, detailed functional requirements.

Accordingly, the first step in the process is to analyze the strategic requirements for the new software. An organization's management needs to answer the following questions: What are our business strategies and plans for the next three to five years? What are the business drivers for this organization? Are we planning to grow substantially? Will we grow through acquisitions or through internal activities? Are there any major re-organizations planned? Do we plan to take our products global? What partnerships (with customers and suppliers) and joint ventures are we considering? Who are our major competitors, and what do we expect their moves to be? What are our competitive advantages? What are the things that we must do well to beat the competition? How are we currently

Definitions of accounting

Rajasekran,(2011) define accounting as “the process of indentifying,measuring and communicating economic information to permit informed judgements and decisions by the users of information”. Hence accounting involves in deciding what amount of money will be involved in transaction (often buying and selling transactions) and then organizing information obtained in presenting it in a way that is useful for decision making.

Milano and Robnett, (2007) Accounting can be defined as an information system that provides essential information about the financial activities of a business entity to various individuals or groups for their use in making informed decisions. Basically accounting is primarily concerned with the design of the recordkeeping system, the preparation of summarized reports based on the recording data and the interpretation of those reports.

Belkaoui, (2004) argue that accounting is the art of recording, classifying, and summarizing in a significant manner and in terms of money, transactions and events which are in part at least, of a financial character, and interpreting the results thereof.

Lyanga and Tulli, (2000) Events and transaction of financial nature are recorded and events of non-financial nature cannot be recorded. The record must be in such a way as to be able to portray the significant of all events and transactions. The parties concerned must be able to gather the true message of the results embodied in statement prepared

However, Belverd and Marian,(2007), define accounting “as an information system that measure, processes and communicates financial information about an economic entity”. Therefore accountants focus on the needs of decisions makers who use financial information whether those decision makers are inside or outside a business of other economic entity. Also accountants provide a vital service by supplying the information, decision makers need to make “reasoned” choices among alternative uses of scarce resources in the conduct of business and economic activities (ibid).

Packages

The “oxford-advanced learner dictionary (2011), defines packages as ‘set of proposals or items offered or agreed to as the whole’ or make up into or enclose in package. According to pastel manual they define accounting.

Accounting packages can be categorized as Vertical, horizontal and integrated. Most applicable packages for small firm are vertical and horizontal. The mentioned below are few example of packages.

(i) Quick book

Maschke et al, (2010) argues that "Quick book" is the package which is used to track and managed small business expenses such as invoicing and payroll from a single financial application. However Quickbook can synchronize your contacts directly with the iCal program and back up you data directly to your mobileMe account.

(ii) Tally

Blore et al (2004) argue that "Tally become more widely available and was marketed at an affordable price. Also tally is widely regarded as a user-friendly package that allows a potential municipal user to define a chart of account under predefined accounting heads. An added advantage of the system is that any accounting entry in the system will resemble an accounting entry in the former single-entry system with which most municipal staff are already familiar. The 'Tally' software also support a fund base structure by allowing the user to open several separate accounts.

(iii) Microsoft Great Plains

Microsoft Business solutions Great plains offers integrated capabilities for financial management ,distribution, Manufacturing, Project accounting, Human resources management, field services Management and business analytics.

(iv) Sage Software

Boasts integrated solutions that automate all areas of business management including accounting and financials, project accounting, distribution, manufacturing, human resources (www.bestsoftware .com)

(v) Flexcube

Is one of the intergated computerized accounting packages whose vendors is oracle. Oracle's FLEXCUBE suite including one of leading solutions for core

banking across the global reach, Flexcube is often selected by banks that require multi-country deployments and global standardization.

Accounting information system

Firewall, (2006) is an interacted system with market, personnel research and development it aids another sub systems for effective performance.

Is an interacting structure of people, equipment, activities, and controls that designed to accomplish both operations and information system functions?

According to Gelinas & Dull,(2009) accounting system has the following importance in the business.

- (i) With the aid of special software packages, accountants summarize transaction in standard formats or financial records and organize data in special formats employed in financial analysis.
- (ii) Accounting packages greatly tedious work associated with data management and recordkeeping.
- (iii) Accountants and auditors with extensive computer skills are specialized in correcting problems with software or in developing software to meet unique data management and analytical needs.

Computerized accounting system

Computerized accounting system is organized procedures used to collect and record accounting data with the use of computer. In this system the transaction is analyzed and entered into computer, which creates any necessary documents and journalizes the transactions into the appropriate journal.

2.1 Advantage of Computerized accounting system.

Recording of business transactions:

Business operations involve various and varied transaction such as purchasing goods, selling goods, receiving payment, making payment and incurring expenses. In case of recording business transactions through computers in the books of original record,

posting in the concerned ledger account is automatically made. Hence recording business transaction through computer reduces the use of paper and also the space required for storing the accounting records Belverd and Marian,(2007)

Storage accounting:

Is the recording of receipt and issue of items kept in the store. Store accounting through computer is very significant, because it provides immediate information regarding stock in hand of each item. The utility of stores accounting through computers can be including daily stock position; value of stock and requirement for purchases.(ibid).

Payroll accounting:

Every business unit has to work out amount of wages, salaries, bonus and other benefits. Computerized accounting ensures accuracy, uniformity and promptness in the proper calculation and accounting of payrolls for the business accounting. Also use of computer in the payrolls accounting provides correct and prompt information.(ibid)

Accounting for debtors:

Computers are very much effectives in the maintenance customers accounts. It is very important to note that debtors accounting through computers reports regarding outstanding balances against debtors. Computers are also used for printing periodic reminders to be sent to debtors. These reminders help to collection of debts at an early date as well as avoiding delay in the recovery of outstanding balances (ibid)

For Improved Business Performance

Gelinas & Dull, (2009) computerized accounting is a highly integrated application that transforms the business processes with its performance enhancing features which encompass accounting, inventory, reporting and statutory processes. This helps the company access information faster, and takes quicker decisions. Computerized accounting also guarantees real-time optimization of operations and enhanced communication

Fast, Powerful, Simple and Integrated

Computerized accounting is designed to automate and integrate all the business operations, such as sales, finance, purchase, inventory and manufacturing. With Computerized accounting, accurate, up-to-date business information is literally at the fingertips. The Computerized accounting combine with enhanced MIS, Multi-lingual and Data organization capabilities to help the company simplify all the business processes easily and cost-effectively. Firewall,(2006)

Computerized accounting system versus Manual accounting system

- i. **Analysis and classification:** Computerized systems analyze and classify business transactions by their type, access appropriate menu for data while Manual system analyzed and journalize transaction as they occur. Firewall,(2006)

Posting of entry: computerized system, computers automatically post transaction as a batch or when entered online while manual system post every journal entry to the ledger accounts.(ibid)

Unadjusted balances display: The unadjusted balances are available immediately after each posting while computer the unadjusted balances in each account at the end of the period

Interpretation and presentation: interpretation and presentation of data is more graphical, need-based and sophisticated in comparison to manual systems while this may be slower and less attractive but may be customized as per the need. It definitely lacks presentation and promptness Blore et al(2004)

Reporting: instant reporting is possible as information is compiled and is processed immediately while the reporting depends on the frequency of maintenance of data. reporting is slower than automated systems Belverd and Marian, (2007).

Prevention and detection of system error

Coderre,(2009) When considering how to detect and prevent mistakes in the processing of accounting transaction, it's important to distinguish the orientation of management from that of outside independent auditors. Management is concerned with the operation of the firm. Management would like a system to detect and correct an error, accidental or deliberately and do so immediately and in an inexpensive manner. The auditor is concerned with the operation of the accounting system.

Saglietti & Oster, (2007) argues , there are always threat to an organization during the operation of any system be it manual or computerized. Computer system is exposed to the following extra problem.

- (i) Automatic trace of computer transaction is not possible.
- (ii) Guarding of computer viruses
- (iii) Accessibility of computer can cause changes of data by unauthorized people

States that the control of an information system must be an integral part of its design, Users and builders of systems must pay close attention to control thought the system life span.

Financial Statement

According to Smith, (2010), financial statement is designed to assist user groups in terms of (i) Making economic decisions or (ii) assessing the stewardship of a business. Economic decisions include the following

- (i) Whether to buy or sell the shares or debt of a company
- (ii) Whether to engage in business dealings with an organization
- (iii) The basis of salary and wage negotiations between owners, managers and employees of a business.

- (iv) Whether to increase or decrease taxation pursues alleged tax defaulters.

To assets the stewardship of an organization is to hold management accountable for the business resources that are entrusted to them. Financial statements should provide a basis for assets whether those who are responsible for making good use of the assets of a business have in fact done so. (ibid).

Stittle and Wearing, (2008), argue that “traditionally, ensuring high standards of ‘stewardship’ has been seen as an important objective of financial accounting”. In many businesses, managers and directors are trusted with taking care of business assets on behalf of the legal owners. For example, shareholders are the legal owners of a company’s assets but the directors of a company control and manage the assets on a day-to day basis on behalf of, or in trust for the shareholders. In other words, the directors are said to have ‘stewardship’ of the company’s assets

Qualitative characteristics of financial statements

The qualitative characteristics of financial statement are the attributes the information should have in order to be considered useful.

- (i) Relevant-has the potential to influence the decisions of users
- (ii) Reliable- can be depended upon to represent what it is purported to represent
- (iii) Comparable –can be reasonably compared with information from another reporting period or for another business organization
- (iv) Understandable –someone with a reasonable knowledge of business and accounting can understand the significance of the information contained in the financial statements.

It is sometimes necessary to strike a balance between desirable characteristics. The information that is most relevant may not be always the most reliable. Relevant

information may also take longer to prepare than is desirable as users prefer to receive information on a timely basis. Furthermore, whereas a greater amount of information may make financial statements more comparable, it may also be more difficult to understand them. (Rajasekran,2011)

2.2 Empirical Review

Gigerenzer,(2000) in research on Decision Making Information Visualization argues in much of his research out of economics and cognitive psychology has focused on the gap between the correct answer to a decision making problem and the one given by subjects for problems of accounting information prepared by the accounting departments in the world in general. In his research he gave out the problem of visualization of the accounting information via the graphs or even the tables, he denoted that in the past years in mid 90's with introduction of the PC and popular spreadsheet applications, much of the information was being analyzed using the graphs and tables representation of numeric data for decision making in the organization.

Therefore they produced better results for the process of decision making in any organization. But due to the increase in technology accounting information has now become more advanced by the introduction of accounting packages, which helps to minimize the risk of wrong interpretations

Firewall, (2006) argue that computer programs that assist bookkeepers and accounts in recording and reporting on firm's financial transactions, the functionality of accounting software differs from product to product. Larger firms may choose to implement a customized solution which integrates a vast amount of data from many different departments. Smaller firms often choose an off the shelf product.

However the software can be used to record transactions, maintain account balances, and prepare financial statements and reports. Many different accounting software packages exist, and the right package must be selected given the client's circumstances and needs. An accounting software package typically contains

numerous integrated modules such as spreadsheet and word processing abilities. Some of modules are used to account for the general ledger, accounts receivable, accounts payable, payroll, inventory and fixed assets.

Hence accounting software automates these tasks to be performed by hand, using large transaction journals and reducing the costs of accounting and allowing better financial decision through timely reporting.

Accounting Software Features

The second main factor that would significantly affect the selection among accounting software packages is the features of the accounting software packages. The main features of accounting software package are: customization capabilities, financial reporting, account numbers structure, Web features and e-commerce, foreign currency, databases supported, product modules, price for eight core modules, reseller programs, number of customers, links to third party, programming language, hosting, and security of accounting software

Customization Capabilities

One of the most important features that should be considered in selecting appropriate accounting software package is its ability to be customized to satisfy an organization's particular requirements. Many of the recent accounting software allow the end user of these products to modify them easily. According to Fisher and Fisher (2001) customization capabilities of accounting software is a real concern. Some off-the-shelf applications are offered with very little or no opportunity for customization to meet an organization's needs, while other vendors will work with the end user to tailor the applications to meet their organization's needs. They argued that the greater the opportunity for customization the greater will be the cost of the applications.

Collins (1999) noted that the most important question one needs to resolve before deciding on an accounting software package is whether it could be customized-and, if it could, whether the customization will meet the user requirements.

The main customization levels are: financial statement-level customization, forms-level customization, screen-level customization, blank user definable fields, default settings, database-level customization, third party integration customization, and help-level customization (Figure 3). The main customization capabilities of accounting software packages will be briefly discussed in the following sections.

Financial Statement-Level Customization

Customization of financial statements and reports is the most simplistic and important feature of an accounting software. It presents the ability of the accounting software to create new financial statements or edit existing financial statement formats. Some accounting software also allow the user to change the font, add lines, and even add graphic pictures, such as a company logo, directly to the financial statement. This type of customization is fairly common as most accounting software do offer this level of customization.

However, some products offer much easier-to-use tools than others. Therefore, one should evaluate this prospective of products by asking the seller to demonstrate the process of inserting a new column and moving an element on both a report and form (Collins, 1999; Abu-Musa, 2004).

Forms -Level Customization

According to this feature, the user will be able to customize accounting system forms such as checks, invoices and packing slips. This ability allows the end user to edit the form formats by adding new information to the form or rearranging the information so that it will print properly on pre-printed forms. For example, a user might want to continue using old preprinted checks or invoices even though the organization has just upgraded to a different accounting system. This customization feature allows the user to adjust such printings to fit the old design or to contain exactly the information they desire (Collins, 1999).

2.3 Conceptual Framework

A **conceptual framework** for accounting is a statement of principles which provides generally accepted guidance for the development of new reporting practices and for challenging and evaluating the existing practices. This has been developed in several countries around the world. However, arriving late does give the advantage of learning from what has gone before. It is possible to see a pattern emerging in the various approaches to developing a conceptual framework.

Objectives of accounting information

Useful in Making Economic Decisions

Usefulness in making economic decisions is the overriding objective. The IASB Framework focuses on the information needs of a wide range of users—investors, employees, lenders, suppliers, customers, governments, and the public—who, unlike management, have to rely on the financial statements as their major source of financial information about an entity. FASB Concepts Statement No. 1, Objectives of Financial Reporting by Business Enterprises, emphasizes usefulness in investment and credit decisions.

Useful in Assessing Cash Flow Prospects

That objective follows from the first objective. The ability to generate net cash inflows ultimately determines the enterprise's capacity to pay its employees and suppliers, repay loans, and make distributions to its owners. External users' judgments about that ability and capacity affect their economic decisions, both in their dealings with the enterprise and in buying, selling, or holding the enterprise's securities.

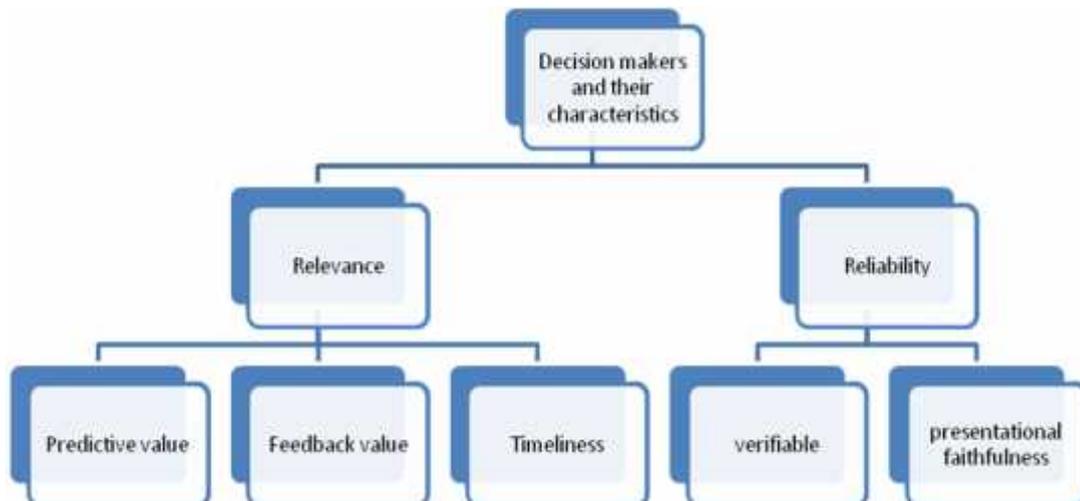
About Enterprise Resources, Claims to Those Resources, and Changes in Them

Both frameworks conclude that the first two objectives are best met with information about enterprise resources and claims to those resources and about changes in them. Those changes are subdivided by the IASB Framework into performance and changes in financial position, and by FASB's Concepts Statement 1 into (a)

performance and comprehensive income and (b) liquidity, solvency, and funds flows. Both frameworks describe similar financial statements, commonly referred to as statements of accrual basis income and financial position and of cash or funds flows. Both frameworks also cite the need for notes and supplementary information. Concepts Statement 1 goes beyond financial statements to discuss how financial reporting also Several other national accounting standard setting bodies have also developed (Australia, Canada, New Zealand, the United Kingdom) or are developing (Japan, Germany) conceptual frameworks. Developing a converged IASB/FASB framework will include considering those other frameworks. For example, some of those frameworks were issued more recently than, and therefore probably improve on various aspects of, the FASB and IASB frameworks.

Qualitative Characteristics

Is a set of qualities of accounting information that make the information provided useful to users in making economic decisions, which include similar principal qualitative characteristics: understandability to decision-makers, relevance, reliability, and comparability, as well as aspects of those qualities? The two frameworks array them in a slightly different manner. The IASB Framework ranks understandability, relevance, reliability, and comparability equally as the main characteristics. FASB Concepts Statement No. 2, Qualitative Characteristics of Accounting Information, places the characteristics in a hierarchy, illustrated using the following diagram



Understandability

Understandability is user-specific: what is readily understandable to someone intimately familiar with business matters may be beyond the understanding of others. It also can be topic specific: users may expend the effort to become knowledgeable about certain topics of particular concern. Both frameworks focus on financial statement users who have a reasonable understanding of business and economic activities and are willing to study the information with reasonable diligence.

Relevance

Both frameworks say that accounting information is relevant if it has the capacity to make a difference in a decision, through helping users either (a) to form expectations about the outcomes of past, present, and future events— predictive value—or (b) to confirm or correct prior expectations—feedback or confirmatory value.

Reliability

Both frameworks say that, to be useful, accounting information also needs to be reliable. Both discuss several aspects of reliability, beginning with the need for faithful representation, defined in Concepts Statement 2 as correspondence or agreement between an accounting measure or description and the economic phenomenon it purports to represent. In accounting reports, the phenomena to be represented are economic resources and obligations that exist in the real world and

the real-world transactions and other events that change those resources and obligations. The IASB Framework also discusses the related quality of accounting for substance over form. FASB's Concepts Statement 2 notes that reliability does not imply certainty or precision, and it discusses verifiability—the likelihood that several independent measurers would obtain similar measures.

Comparability and Other Qualities

Both frameworks also emphasize the importance of comparability between entities, including consistency from year to year. They also discuss completeness, timeliness, the threshold of materiality, and the constraint of cost-benefit considerations. All of those concepts are likely to be reaffirmed in the new project, but their relative importance is an issue for updating and convergence. The Boards may need to consider trade-offs that exist between these characteristics as well: for example, ruling out a “short-cut” alternative to a complex accounting method may improve comparability and reduce users' costs but raise verifiability concerns and increase preparer's costs.

Underlying Assumptions

The IASB Framework also makes two underlying assumptions: first, that financial statements are, prepared on the accrual basis and second, that the reporting entity is normally a going concern. The FASB's Concepts Statements extensively discuss the need for accrual accounting procedures, and briefly discuss going concern, but do not identify either as underlying assumptions. Converging the accrual assumption difference likely will be just a matter of emphasis in drafting, but the going concern assumption difference could be more challenging.

CHAPTER THREE

RESEARCH METHODOLOGY

The purpose of research methodology is to systematically show how the research was conducted from the start to the end. The research methodology is concerned with the validity of the instruments that are used and the reliability for the research replication Neuman, (2000); Saunders et al,(2009). This research is mainly based on critical analysis of literature materials on application of accounting package in preparation of financial statement. The main technique used for this research is qualitative analysis but was also involved quantitative analysis and therefore using a mixed method approach. Mixed method is defined as the “general term for approach when both quantitative and qualitative data collection techniques and analysis are both used in a research designed” Saunders et al, (2009). The aim of the mixed method is to obtain a rich understanding of the research questions and objectives.

3.1 Research Design

The study was conducted at NBC the method of study used was the case study. The case study design helped a researcher to get detailed data simply because it employees several methods of data collections. Conduct a research using a case study was detailed study, this means it was reflecting the whole organization.

3.2 Study Area

The study area was at NBC Corporate Branch in Dar-es-salaam City, on how they apply the application of accounting package on provision of Financial Statement. The researcher has selected the organization NBC with the view that, in recent years the bank (NBC) has been producing the statements that seem to be true and fair, despite of the poor performance of that organization which has lead it to be acquired by Barclays Tanzania ltd.

3.3 Study population

The targeted population for the study thus includes the following:

- (i) Staffs of Accounts and Finance Department.
- (ii) Staffs in Information Technology Department.
- (iii) All staffs involved in accounting package

3.4 Sample size and sampling Technique

Sekaran (2003), recommends that for research activities, educational and psychological measurement, the sample size of respondents should be determined using Krejcie and Morgan (1970) tables. According to the tables, the appropriate sample size of a target population of 100 is 58 respondents.

3.4.1 Sample Size

It is not possible to involve all employees of NBC in the process of evaluation of research it have importance to have the representative members who represent other member as the sample in order to capture the view of the organization. This sampling use judgment sampling, random sampling and purposively sampling. It obvious from the definition of the population above that a census is not feasible in this study. Accordingly, the researcher adopt the survey type of research in which a sample from the target population used for the study. In total, a sample of 58 elements was selected from a targeted population thus the number of staffs was 40, 75&75 from each department respectively out of total number of staffs of 190. Details of the sample are as follows:

- (i) 12 From Department Of Accounts And Finance,
- (ii) 23 Information Technology Department, And
- (iii) 23 All Other Staffs Involved In Accounting Package System.

3.4.2 Sampling Techniques

According to Manheim (1977) a sample is a part of population which is being studies in order to make inference about the whole population. In defining population from which the sample is taken it is important to identify the target population and sample frame.

Simple randomly sampling from staffs in Accounts and Finance Department, sampling method, and purposive sampling to other staffs engaged in accounting package will be used as the main sampling techniques.

3.5 Types and source of data

Primary data

This are fresh collected data that will be collected by the use if the questionnaire interviews and the research observations.

Secondary data

Secondary data is that have already been collected for some other purpose, perhaps processed and subsequently stored (Saunders, et al 2007)

Therefore, the main methods for data collection are critical analysis of primary and secondary data. But secondary data from literature materials and specifically secondary data will be obtained from the National Bank of Commerce (NBC) and this may includes bank annual and quarterly reports will be used

3.6 Data collection method

Primary data source are:

Interviews

The interviewees were all staffs at NBC Corporate branch in Dar-es-salaam City evolved in application of accounting package, with the purpose of understanding the problems that hinder the effectiveness usage of the application on accounting packages and their solutions to the problems.

Also the interview was conducted to all other key personals in the organization like Unit Supervisors, Departmental Managers, Managers and the directors of the organization with the purpose of understanding the Relevance, Reliability, Comparability, advantages and challenges of the package in their daily activities.

Questionnaires

Questionnaires play a central role in the data collection process. A well-designed questionnaire efficiently collects the required data with a minimum number of errors. It facilitates the coding and capture of data and it leads to an overall reduction in the cost and time associated with data collection and processing. Data collection through the questionnaire was the purpose of understanding the skills of the staffs on application of accounting package, reliability, relevance, comparability, advantages and challenges of the package. Yet the researcher was interested in understanding whether the system is user friend or an obstacle to the personnel involved in financial production.

3.7 Measurement of variables

The dependent and independent variables in this study will measured as shown below,

Independent Variable

Application of accounting package on provision of financial statement.

The “oxford-advanced learner dictionary” defines packages as a set of proposals or items offered or agreed to as the whole or make up into or enclose in package.

Accounting package can be categorized as vertical, horizontal and integrated. Most applicable packages for small firms are vertical and horizontal. These are some few examples of accounting packages, Quick book, tally, Microsoft Great plain, sage Software and flex cube.

(Gelinas & Dull, 2009) computerized accounting is a highly integrated application that transforms the business processes with its performance enhancing features which encompass accounting, inventory, reporting and statutory processes. This helps the company access information faster, and takes quicker decisions. Computerized accounting also guarantees real-time optimization of operations and enhanced communication.

Computerized accounting is designed to automate and integrate all the business operations, such as sales, finance, purchase, inventory and manufacturing. With Computerized accounting, accurate, up-to-date business information is literally at the fingertips. The Computerized accounting combine with enhanced MIS, Multi-lingual and Data organization capabilities to help the company simplify all the business processes easily and cost-effectively. (Firewall, 2006).A good accounting package should be fast,powerful,simple and intergrated

Dependent variable:

Understand ability

The first enhancing qualitative characteristic, understandability, will increase when information is classified, characterized, and presented clearly and concisely. Understandability is referred to, when the quality of information enables users to comprehend their meaning (IASB, 2008). Understandability is measured using five items that emphasize the transparency and clearness of the information presented in annual reports Jonas & Blanchet, (2000); Iu & Clowes, (2004); Courtis, (2005); IASB,(2006). First, classified and characterized information refers to how well-organized the information in the annual report is presented. If the annual report is well-organized it is easier to understand where to search for specific information Jonas & Blanchet, (2000). Furthermore, disclosure information, and in particular the notes to the balance sheet and income statement, may be valuable in terms of explaining and providing more insight into earnings figures Beretta & Bozzolan,(2004). Especially narrative explanations help to increase the understandability of information.

Relevancy

Relevance is referred to as the capability “of making a difference in the decisions made by users in their capacity as capital providers” (IASB, 2008: 35). Also relevance can be explained as the costs that will differ among alternatives. In order to have relevance, accounting information must be timely, accurate and should reflect true and fair picture of the organization. As discussed earlier, researchers tend to focus on earnings quality instead of on financial reporting quality.

Reliability

According to the financial Accounting Standards Board, reliability is defined as the quality of information that assures that information is reasonably free from error or bias and faithfully represents what it purports to represent. The importance of reliability is that, outside business stakeholders are always scrutinizing a company's accounting information, even with auditor or management statements assuring individuals of the accuracy and reliability

Advantages

- (i) Relatively easy to collect data in order to measure earnings management
- (ii) Provides insight into the economic value.
- (iii) Direct measure of financial statement quality.

Disadvantages

- (i) Vision and strategy not actionable
This occurs when the senior management team has failed to achieve consensus as to how the vision should be achieved. This leads to different groups pursuing different agendas and effort is neither coherent nor linked to strategy in an integrated way.
- (ii) Strategy is not linked to department, team and individual goals
When this happens, then those concerned continue to follow the old traditional performance criteria and that the introduction of the new strategy. This can be exacerbated by an unaligned incentive system.
- (iii) Strategy is not linked to resource allocation
This often occurs when the long term strategic planning process and annual budgeting process are separated and may result in funding and capital allocations becoming unrelated to strategic priorities.
- (iv) Feedback is tactical and not strategic

This occurs when feedback concentrates solely on short-term results (such as the financial measures) and little time is reserved for the review of indicators of strategy implementation and success

3.8 Validity of issue

Validity is concerned with whether the findings are really about what they appear to be about. Validity is defined as the extent to which data collection methods or methods accurately measure what they were intended to measure Saunders and Thornhill,(2003).

The two elements convergent validity and discriminate validity are components of a larger scientific measurement concept known as construct validity Straub et al (2004). These two validities capture some of the aspects of the goodness of fit model, Ie how well the measurement items relate to constructs. When factorial validity is acceptable, it means each measurement items relate to construct it is relate to, while correlating weakly or not significantly with all other issues.

4.0 Data analysis methods

The responses to the structured close-ended questions were rated in percentages. The percentage of respondents for each alternative were given and analyzed. The data collected was analyzed using the computer software known as Statistical Package for Service Solution (SPSS)

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION OF FINDINGS.

4.1 Introduction

This Chapter presents and interprets the data collected and analyzed in Chapter Three. The presentation is guided by the objectives of the study.

4.2 Characteristics of respondents

In the beginning of the chapter are the characteristics of the respondents such as their age bracket, gender, marital status, level of education and duration in employment of the respondents. Statistical tools such as, frequencies and percentages are presented in Tables 4.1 – 4.4.

4.2.1 Age of the respondents

Table 4.1 Age bracket of the respondents

Years	Frequencies	Percentages
18-36	30	51.72
37-50	16	27.59
Above 51	12	20.69
Total	58	100.00

Source: Field study

Results in Table 4.1 reveal that the majority of the respondents between 18 - 36 years of age with a percentage of 51.72% with those between 37 - 50 years being 27.59% years. and above 51 years of age with a percentage 20.69%. The results show that the respondents were in the good age bracket to make informed decisions.

4.2.2 Gender of the respondents

Table 4.2: Gender of the respondents

Gender	Frequency	Percentage
Male	20	34.48
Female	38	65.52
Total	58	100.00

Source: Field Study

The results in Table 4.2 above reveal that the majority of the respondents were female representing 65.52% and the males constituting 34.48%. This shows that the views of the respondents were from both genders of Bank service in NBC Corporate Branch in Dar-es-salaam.

4.2.3 Marital status of the respondents

Table 4.3: Marital status of respondents.

Marital status	Frequency	Percentage
Unmarried	38	65.52
Married	20	34.42
Total	58	100.00

Source: Field Study

The results in Table 4.3 above reveal that the majority of the respondents were not married representing 65.52% and 34.48% are married. This shows that the large number of the respondents were not married from NBC Corporate Branch in Dar-es-salaam.

4.2.4 Education level of the respondents

Table 4.4: Education Level

Level of Education	Frequencies	Percentage
Primary level	0	0
Ordinary level	1	1.72
Advanced level	5	8.62
Bachelors Degree	36	62.07
Masters Degree	16	27.59
PhD	0	0
Total	58	100.00

Source: Field Study

The findings above revealed that the majority of the respondents levels of education are bachelors degree 62.07%, there is no education level and PhD level of education. And there is 27.59% of the respondents who have masters degree level and 8.62% of the respondents have advanced level, 1.72 have ordinary level.

4.2.5 Duration in employment

Table 4.5: Duration in Employment

Age	Frequency (F)	Percentage (%)
Less than 5 years	25	43.11
Between 5-10 years	15	25.86

<u>Above 10 years</u>	<u>18</u>	<u>31.03</u>
<u>Total</u>	<u>58</u>	<u>100.00</u>

Source: Field Study

According to Table 4.5 above; a majority of the respondents (43.11%) covered by the study had been in employment with the NBC less than 5 years, followed by those above 10 years constituting 31.03%, and 5-10 years with 25.86%. This shows that the views of results of this study are representative of the Staff who had experience in running the affairs of NBC. Therefore they were in a good position to apply accounting package on provision of financial statement.

4.3 To examine the capability of the bank to use the accounting package in terms of availability of skills and number of staff

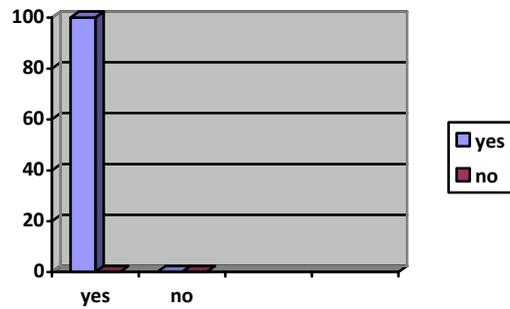
Descriptive statistics were used to examine the capability of the bank to use the accounting package in terms of availability of skills and number of staffs. The results were analyzed and interpreted and the findings are presented in Table 4.6 and 4.7 below;

Table 4.6” Do you have capable staffs who are working with application of accounting package in your organization?

<u>Answers to Respondents</u>	<u>Frequency</u>	<u>Percentage</u>
Yes	58	100
No	0	0
<u>Total</u>	<u>58</u>	<u>100</u>

Source: Field study

Figure 4.1: Capability staffs



Source : Field study

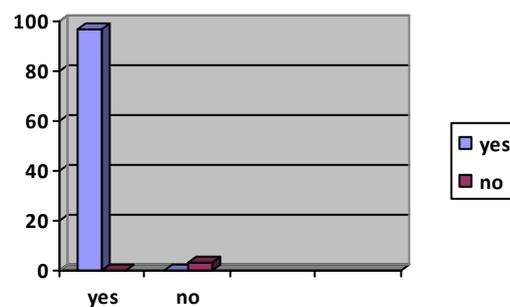
Table 4.6 and figure 4.1 above revealed that, all respondents 100 percent agreed that there is a capable staff who are working with application of accounting package in NBC Corporate Branch.

Table 4.7: Are the staffs engaged in accounting package well skilled?

<u>Answers to Respondents</u>	<u>Frequency</u>	<u>Percentage</u>
Yes	56	96.55
No	2	3.45
Total	58	100

Source: Field study

Figure 4.2:



Source: Field Study

The table above revealed that 96.55 percent says that the staffs engaged in accounting packaging are well skilled and 3.45 percent says that the staffs engaged in accounting package are not well skilled. This shows that the majority of the staffs engaged in accounting package are well skilled.

4.4 To find out understandability to the decision makers, relevance and reliability of the application on accounting package.

Descriptive statistics were used to find out the understandability to the decision makers, relevance and reliability of the application on accounting package. The results were analyzed and interpreted and the findings are presented in Table 4.8 below.

Table 4.8 Is the system understood to all staffs?

<u>Answer to respondents</u>	<u>Frequencies</u>	<u>Percentage</u>
Yes	55	94.83
No	3	5.17
Total	58	100

Source: Field Study

Findings revealed that the majority of the respondents 94.83 percent says that the system is understood to all staffs and only 5.17 says that the system is not well understood to all staffs.

Table 4.9 Is the accounting package Relevant to the organization

<u>Answers to Respondents</u>	<u>Frequencies</u>	<u>Percentage</u>
Yes	58	100
No	0	0
Total	58	100

Source: Field Study

The table 4.9 above revealed that all respondents 100 percent says that the accounting is relevant to the organization while there is no any respondents who disagreed with the statement.

Table 4.10 Measurements of Relevancy in Accounting Package

<u>Answers to Respondents</u>	<u>Frequency</u>	<u>Percentage</u>
Accuracy	15	25.86
Timely	10	17.24
Speed	13	22.42
Capacity	20	34.48
Total	58	100

Source: Field study

Table 4.10 shows the measurement of relevancy in Accounting Package, where 34.48 percent says the accounting package is relevant to the organization due its capacity followed by 25.86 percent who says accounting package is relevancy because its accuracy, 22.42 percent says its speed and 17.24 percent says its timely.

Table 4.11 Is the System Reliable

<u>Answer to respondents</u>	<u>Frequency</u>	<u>Percent</u>
Yes	58	100
No	0	0
Total	58	100

Source: Field Study

Table 4.11 above revealed that 100 percent of the respondents agreed that the system is reliable to the organization.

4.5 To find out advantages and disadvantages of using accounting packages

Descriptive statistics were used to find out the advantages and disadvantages of applying the accounting package to the organization .The results were analyzed and interpreted and the findings are presented in Table 4.12 below.

Table 4.12 : What are the advantages of applying the accounting package to the organization?

<u>Advantages</u>	<u>Frequencies</u>
The package can be used by non specialist	50
A large amount of data can be processed very quickly	58
Computerized systems are more accurate than manual system	58
A computer is capable of handling and Processing large volume of data	57
Once the data has been input, computerized System can analyze of data rapidly to present useful control information for manages such as Trial Balances or Debtors schedule.	56
Less prone to human errors and you can print report with no preparation.	58

Source : Field Study

The above table revealed that 58 respondents says that the advantages of using accounting package in an organization are a large amount of data can be processed very quickly, Computerized systems are more accurate than manual system and Less prone to human errors and you can print report with no preparation, 57 respondent says that a computer is capable of handling and Processing large volume

of data, 56 say that once the data has been input, computerized System can analyze of data rapidly to present useful control information for manages such as Trial Balances or Debtors schedule and 50 respondents say the advantage of accounting package is the package can be used by non specialist .

Table 4.13: What are the disadvantage of applying the accounting package to the organization?

<u>Disadvantages</u>	<u>Frequencies</u>
Initial time and costs involved in installing the system, training, and personnel.	57
The need for security checks to make sure that unauthorized personnel do not gain access to data files.	57
The necessity to develop a system of coding and checking.	57
Lack of audit trail it is not always easy to see where a mistake has been made.	50
Computers are used more efficiently if vital information is expressed in the form of codes	58
They rely on computer and power which may fail	58

Source: Field Study

The above table shows the disadvantages of using computer software, The findings revealed that 58 respondents says that they rely on computer and power which may fail and computers are used more efficiently if vital information is expressed in the form of codes, and 57 respondents says that Initial time and costs involved in installing the system, training, and personnel, The need for security checks to make sure that unauthorized personnel do not gain access to data files and The necessity to develop a system of coding and checking others says that Lack of audit trail it is not always easy to see where a mistake has been made .

4.6 To identify the factors those hinder the effective usage of the application packages in NBC ltd.

Table 4.14 Do you face any challenges when applying accounting package to your organization?

Responses	Frequencies	Percentages
Yes	58	100
No	0	0
Total	58	100

Source: Field study

Table 4.14 above revealed that all respondents 100 percent says that there is a challenges when applying accounting package to their organization.

Table 4.15 Challenges when applying accounting package in NBC Ltd

Challenges	Frequency
Power failure	58

Computer viruses and Hacker are omnipresent with their tools of destruction 57

Any data that is being fed has to Be checked carefully because any mistake there and the output could be affected. 58

The package costs 57

The absence of a suitable accounting Software or used purely for tax purpose once A year leave the financial performance of the business to the intuition of the management and is unmeasured. 50

Source; Field Study

The findings above shows the challenges faced by NBC when applying accounting packaging, Respondents lists the challenges such as Power failure ,Computer viruses and Hacker are omnipresent with their tools of destruction, Any data that is being fed has to Be checked carefully because any mistake there and the output could be affected, The package costs and others says that the absence of a suitable accounting Software or used purely for tax purpose once a year leave the financial performance of the business to the intuition of the management and is unmeasured.

4.7 The fact

ors considered when choosing the application package to the organization like NBC

Table 4.16: Suggestions on improvement of application of accounting packages

Suggestions	Frequencies
Use best practice	55
Organization need system expert	58
Conduct process training to staff	56
Develop system super user	56
Establish process metrics	55
<u>Reward success</u>	<u>58</u>

Source: Field Study.

The findings above shows the suggestions on improvement of accounting package in NBC. Respondents says that one of the suggestion is to use best practice in implementation of accounting it will reduce the department workload while improving accuracy, cycle time, response time, data quality and employee morale it can also improve Sabarnes-Oxley Compliance. Also an organization need system expert who can implement software, conduct process training to professional development classes and provide system training, and to establish process metrics to measure department productivity. Metrics should be easy to understand and available for everyone to see (as a benchmark to other organization).

Conversion	53
Hardware	55
<u>Check various sources of ideas</u>	<u>50</u>

Source : Field Study

Table 4.17 shows the factors to be considered when choosing accounting package, all respondents say that the number of staff is biggest factor when choosing accounting package, followed by way of reporting , hardware, conversion , company revenue, company growth and to check various source of idea.

CHAPTER FIVE

SUMMARY, CONCLUSIONS, AND POLICY IMPLICATION

5.0 Introduction

This study was designed and carried out to know the application of the accounting package on provision of financial statement. This chapter gives the conclusions and recommendation, limitation of the study of the research findings presented and interpreted in chapter four. Also suggested areas for further research are also presented.

Accounting software packages have become common place for many organizations in recording business transactions, preparing financial statements and analyzing operations. Accounting software has freed accountants from the manual recording and presentation of financial data. By using accounting software, financial transactions would be recorded more quickly and accurately at a relatively low cost. Moreover, accounting software packages increased overall operational effectiveness by improving both the quantity and quality of management information available (Collins, 1999; Fisher and Fisher, 2001; and Abu-Musa, 2004).

Years ago, when personal computers were just coming into their own, accounting software was relatively simple. Its single function was to automate the task of double-entry accounting and produce a straightforward balance sheet. As computers became more robust and integrated databases standardized, accounting software developers added more functions-including cost accounting, manufacturing resource planning, customer resource management, human resources, and payroll (Jones, 2002).

Mattingly (2001) stated that choosing the right accounting software is becoming more difficult as the software market becomes increasingly fragmented. In many cases, more product information makes decision-making more difficult rather than

less. The risks of leaping into an expensive purchase decision are hard to assess. Collins (1999) also confirmed that selecting the appropriate accounting software for an organization requires a close investigation of many diverse areas. It has been observed that, in selecting accounting software many organizations emphasize on satisfying their current and short term needs for information and financial and non-financial reports, rather than their future and long term needs.

Due to the development of technology, the application of accounting packages is becoming inevitable to many organizations in Tanzania, though some problems may arise on the process using the packages/systems especially in developing countries like Tanzania. Choosing the right package that suits the needs of the organization is one of the problems that face the local institutions. Therefore this study is intended in seeing the suitability of accounting packages in provision of the financial statement. If the accounting system is not properly set up to meet the requirement of the business due to badly programmed or inappropriate software or hardware or requirement of in-depth knowledge of computer accounting can cause more havoc and danger of computer fraud if proper level of control and security whether internal and external are not properly been instituted. National bank of commerce is one of the few financial institutions in Tanzania that use computerized system using for daily banking operation.

The research questions of the study were what is the capability of the Bank to use the accounting package in terms of availability of skills and number of staffs? Is the system of application package relevant, reliable and understood to the decision makers of the organization. What are the advantages and disadvantages of the effective usage of the application packages? What are the factors that hinder the effective usage of the application packages? What are the solutions to the problems hindering the effective usage of the application packages? What are the factors to consider when choosing the application package to the organization like NBC

Specific objectives of the study were, to examine the capability of the bank to use the accounting package in terms of availability of skills and number of staff, to find out understandability to the decision makers, relevance and reliability of the application package, to find out the advantages and disadvantages of using accounting packages, to identify the factors those hinder the effective usage of the application packages in NBC Ltd, to suggest the possible solutions for the problems hindering the valuable usage of the application packages, and to identify the factors to be considered when choosing the application package to the organization like NBC.

Collins (1999) also stated that because accounting software contains hundreds-if not thousands-of features, this may seem like an overwhelming task. While such assessments are not exactly easy, they are not overly difficult, because only a handful of features are critical to making the right choice and one should focus on those features.

During the selection process, it is important to document each accounting software package, its features, its pros and cons, and whether it fits an organization's needs. This information will make it easier to narrow down the choices by developing a short list of promising accounting software. The current and future end users' requirements, the nature of business and its size, IT environment and infrastructure, the accounting software features and the vendors' capabilities of the accounting software packages should be assessed and considered in order to select appropriate software package for an organization.

Firewall, (2006) argue that computer programs that assist bookkeepers and accounts in recording and reporting on firm's financial transactions, the functionality of accounting software differs from product to product. Larger firms may choose to implement a customized solution which integrates a vast amount of data from many different departments. Smaller firms often choose an off the shelf product. However the software can be used to record transactions, maintain account balances, and prepare financial statements and reports. Many different accounting software

packages exist, and the right package must be selected given the client's circumstances and needs. An accounting software package typically contains numerous integrated modules such as spreadsheet and word processing abilities. Some of modules are used to account for the general ledger, accounts receivable, accounts payable, payroll, inventory and fixed assets.

Hence accounting software automates these tasks to be performed by hand, using large transaction journals and reducing the costs of accounting and allowing better financial decision through timely reporting.

The methods used in analyzing data were the structured close-ended questions were rated in percentages. The percentage of respondents for each alternative were given and analyzed. The data collected was analyzed using the computer software known as Statistical Package for Service Solution (SPSS)

5.1 Findings of the Study

Advantages of applying the accounting package to the organization

Results revealed that the majority of the respondents say that the advantages of using accounting package in an organization are a large amount of data can be processed very quickly, Computerized systems are more accurate than manual system and Less prone to human errors and you can print report with no preparation, Others say that a computer is capable of handling and Processing large volume of data, that once the data has been input, computerized System can analyze of data rapidly to present useful control information for manages such as Trial Balances or Debtors schedule and the other advantage of accounting package is the package can be used by non specialist .

Disadvantages of applying accounting packages at the organization

The disadvantages of applying accounting packages at NBC Ltd, The findings revealed that majority of the respondents says that one of the disadvantage is, they rely on computer and power which may fail and computers are used more efficiently if vital information is expressed in the form of codes, and others say that Initial

time and costs involved in installing the system, training, and personnel, The need for security checks to make sure that unauthorized personnel do not gain access to data files and The necessity to develop a system of coding and checking others says that Lack of audit trail it is not always easy to see where a mistake has been made .

Challenges when applying accounting package in NBC Ltd

The further findings shows the challenges faced by NBC when applying accounting packaging, Respondents list the challenges such as Power failure, Computer viruses and Hacker are omnipresent with their tools of destruction, Any data that is being fed has to Be checked carefully because any mistake there and the output could be affected, The package costs and others says that the absence of a suitable accounting Software or used purely for tax purpose once a year leave the financial performance of the business to the intuition of the management and is unmeasured.

Suggestions on improvement of accounting package

The findings shows the suggestions on improvement of accounting package in NBC. Respondents say that one of the suggestion is to use best practice in implementation of accounting it will reduce the department workload while improving accuracy, cycle time, response time, data quality and employee morale it can also improve Sabarnes-Oxley Compliance. Also an organization need system expert who can implement software, conduct process training to professional development classes and provide system training, and to establish process metrics to measure department productivity. Metrics should be easy to understand and available for everyone to see (as a benchmark to other organization).

5.2 Conclusion

The steady decline in the price of the information technology and the increasing availability of off the shelf accounting software have led many organizations of different sizes to automate all or part of their accounting functions. Therefore,

selecting the most appropriate accounting software package that would satisfy an organization's current and future needs has become an important issue.

This research introduced an integrated framework of the main factors that should be considered in the selection process among the competitive accounting software packages.

The research would be beneficial for new organizations purchasing accounting software for the first time, and organizations transferring from manual to computerized accounting systems. The way introduced in this research is quite flexible since the maximum points assigned to each determinant and its components are not rigid, and could be differed from one organization to another according to the materiality and significant importance of each determinant to that organization.

The way could be also used different size organizations, and it is expected to help organizations in selecting the most appropriate accounting software that would match their current requirements and future expectations for information and financial and non-financial reports.

5.3 Recommendation

With reference to NBC the analysis has so far provided that the package contributes much in preparation of financial statement. However to maintain and improve the efficiency of accounting package in preparation of financial statement, the researcher would like to recommendation on the following of which if the management of the firm adopt would bring about more improvement in their operations, the new hardware will be require and the equipments are,

The user of the system should be given adequate training to cope with the usage of the system.

Provision of virtual private Network (VPN) through which the banks will collect and share the user name and password among the staffs.

However, good accounting software should put an organization in control. Once the data is recorded, it will be easy to access and manipulate that for reports that enable to run the business

5.4 Limitation of the Study

(i) Lack of enough information

Normally the bank managements are very discreet, therefore knowing what one were able to do and what information was accessible for the research was a limiting factor for the successful drawing of the final results.

(ii) Lack of fund

The researcher is neither sponsored by his employee nor by any other institution as most of the university students do, this would therefore make it difficult for the researcher to meet and the smoothly the goals and objectives of the research.

(iii) Discreet nature

Most of the bank operators are very discreet due to the nature of their work and to provide security to their bank. This would result to lack of some crucial information for the researcher.

(iv) Limited Time

Since the researcher is an employee in the banking industry, and most of the banks tend to utilize their employee to the maximum level due to the nature of their business, time will be the limiting factor for the researcher since he has a limited time to collect data.

5.5 Areas of further Research

The results from the study point out a number of opportunities, Future research should attempt to collect data from other Bank in Tanzania to find out whether the application of accounting package on provision of financial statement takes the same trend as that NBC Corporate Ltd in Dar-es-salaam

This research concentrated in Banks organization, yet further research could be carried out among other organization to establish the application of the Accounting Package on provision of financial statement.

In addition, further study should concentrate on the investigation of other factors that leads improvement of accounting package not included in this study other than relevancy, reliability, and capability.

REFERENCES

- Bell, J (2005). Doing your research project: A guide for first time researchers in Education, health and social sciences. 4th Edition. England. Open University Press.
- Bryman, A. (2003). Social Research Methods. Oxford. Oxford University Press
- Bryman, A. (2008). Social Research Methods. 3rd Eds. Oxford: Oxford University Press.
- Blore, I., Devas, N., & Slater, R. (2004). Municipalities and finance: A Sourcebook for Capacity Building . London: Earthscan.
- Coderre, D. G. (2009). Computer Aided Fraud Prevention and Detection: A step by Step Guide. Hoboken, N.J: John Wiley & Sons.
- Firewall. (2006). ComputerAccounting with Tally 7.2. Boston : Firewall Media.
- Gelinas, U. J., & Dull, R. B. (2009). Accounting Information Systems, 8 th edition. Cengage learning.
- Gigerenzer (2000). Research on decision making information visualization, MC GrawHill
- Lyanga J.M. & Tulli M. (2000). Financial accounting 1, Tanzania printing services Ltd, Dar es Salaam
- Milano, D. R., & Robnett, C. S. (2007). The Essential of Accounting I.
- Nelson, S. D., Esq, J. W., & Maschke, M. C. (2010). The 2010 Solo and Small firm Legal Technology Guide. Chicargo: American Bar Association

Neuman W.L. (2000).Social Research Methods (2nd Edition).London.Allyn and Bacon

Riahi-Belkaoui, A. (2004). Accounting theory, 5th Edition. Singapore: thomson learning.

Saglietti, F., & Oster, N. (2007). Computer Safety, reliability, and security: 26th international conference. Chennai

Saunders M, Lewis P and Thornhill A. (2009).Research Methods for Business Students England. Pearson Education Limited

Saunders, M. a. (2003). Research Methods for Business studies, 2nd edition,. London: Pearson Education Limited

APPENDICES

Appendix I

QUESTIONNAIRE FOR STAFFS

Dear Sir/Madam

I am a student from Mzumbe University undertaking Masters in Accounting and Finance. As part of my study, I am conducting a research with the main objective on the application of accounting package on provision of financial statements. I am kindly requesting for your assistance towards the success of this research through filling this questionnaire.

The questionnaires will be treated with high confidentiality and will be only for the academic purpose.

Your participation will be highly appreciated

PART A

BACKGROUND INFORMATION

1. Gender of the respondent
Male..... ()
Female..... ()
2. Age of the respondents
18 up 36 year..... ()
37 up 50 years..... ()
Above 51 years..... ()
3. How long have you been working with NBC Corporate branch?
Less than 5 years..... ()
Between 5-10 years..... ()
Above 10 years..... ()

4. Which level of education do you possess?

- a. Primary level ()
- b. Secondary level ()
- c. Advanced Level ()
- d. Bachelor Degree ()
- e. Master Degree ()
- f. PhD ()
- g. Others ()

PART .

1. The capability of the bank to use the accounting package in terms of availability of skills and number of staff

I. Do you have capable staffs who are working with application of accounting package in your organization?

YES	
NO	

If no explain.

II. Are the staffs engaged in accounting package well skilled?

YES	
NO	

If no Explain why

PART C.

Understandability to the decision makers, relevance and reliability of the application package.

I. Is the system understood to all staffs?

YES	
NO	

II. Is the accounting package Relevant to the organization?

YES	
NO	

If yes indicate by putting a tick in the following measurements below

- i. Accuracy ()
- ii. Timely ()
- iii. Speed ()
- iv. Capacity ()

III. Is the System Reliable?

YES	
NO	

If yes in which aspect

- i. Consistency ()
- ii. Validity ()
- iii. Interrater ()

PART D.

The advantages and disadvantages of using accounting packages

I. What are the advantages of applying the accounting package to the organization?

II What are the disadvantage of applying the accounting package to the organization?

PART E.

The factors those hinder the effective usage of the application packages in NBC ltd.

I. What are the disadvantages of applying accounting package to your organization?

II. Do you face any challenges when applying accounting package to your organization?

YES	
NO	

Mention them please

PART F

The factors considered when choosing the application package to the organization like NBC.

1. What suggestions do you have on improvement of accounting package to your organization?

10. What are the factors to be considered when choosing accounting package of a particular Organization?

- (i) Number of staffs ()
- (ii) Company Revenue ()
- (iv) Company Growth ()
- (iv) Way of reporting ()
- (v) Conversion ()
- (Vi) Hardware ()
- (vii) Check various sources of ideas ()

Appendix II

QUESTIONNAIRE FOR NBC CORPORATE BRANCH KEY PERSONS

Dear Sir/Madam

I am a student from Mzumbe University undertaking Masters in Accounting and Finance. As part of my study, I am conducting a research with the main objective on the application of accounting package on provision of financial statements. I am kindly requesting for your assistance towards the success of this research through filling this questionnaire.

The questionnaires will be treated with high confidentiality and will be only for the academic purpose.

Your participation will be highly appreciated

PART A.

BACKGROUND INFORMATION

1. Gender of the respondent
Male..... ()
Female..... ()
2. Age of the respondents
18 up 36 year..... ()
37 up 50 years..... ()
Above 51 years..... ()
3. How long have you been working with NBC Corporate branch?
Less than 5 years..... ()
Between 5-10 years..... ()
Above 10 years..... ()

4. Which level of education do you possess?
- (a) Primary level ()
 - (b) Secondary level ()
 - (c) Advanced Level ()
 - (d) Bachelor Degree ()
 - (e) Master Degree ()
 - (f) PhD ()
 - (g) Others ()

PART B.

The capability of the bank to use the accounting package in terms of availability of skills and number of staff

I. Do you have capable staffs who are working with application of accounting package in your organization?

YES	
NO	

If no explain.

II. Are the staffs engaged in accounting package well skilled?

YES	
NO	

If no Explain why

III. Do you have an adequate number of staffs engaged in application of accounting package

YES	
NO	

IV. If yes above, do they have required skill to engage in application of accounting package

PART C.

Understandability to the decision makers, relevance and reliability of the application package.

I. Is the system understood to all staffs?

YES	
NO	

II. Is the accounting package Relevant to the organization?

YES	
NO	

If yes indicate by putting a tick in the following measurements below

(h) Accuracy ()

(i) Timely ()

(j) Speed ()

(k) Capacity ()

III. Is the System Reliable?

YES	
NO	

If yes in which aspect

- (i) Consistency ()
- (ii) Validity ()
- (iii) Interrater ()

PART D.

The advantages and disadvantages of using accounting packages

I. What are the advantages of applying the accounting package to the organization?

II what are the disadvantages of applying the accounting package to the organization

PART E

The factors those hinder the effective usage of the application package in NBC LTD

I. Do you face any challenges when applying accounting package to your organization?

YES	
NO	

Mention them please

I. What suggestions do you have on improvement of accounting package to your organization?

II. What are the factors to consider when choosing accounting package of a particular Organization?

- (i) Number of staffs ()
- (ii) Company Revenue ()
- (iii) Company Growth ()
- (iv) Way of reporting ()
- (v) Conversion ()
- (Vi) Hardware ()
- (vii) Check various sources of ideas ()

II. What suggestions do you have on improvement of accounting package to your organization?

II. What are the factors to consider when choosing accounting package of a particular Organization?

- (i) Number of staffs ()
- (ii) Company Revenue ()
- (iii) Company Growth ()
- (iv) Way of reporting ()
- (v) Conversion ()
- (Vi) Hardware ()
- (vii) Check various sources of ideas ()

III. What suggestions do you have on improvement of accounting package to your organization?

II. What are the factors to consider when choosing accounting package of a particular Organization?

- (i) Number of staffs ()
- (ii) Company Revenue ()
- (iii) Company Growth ()
- (iv) Way of reporting ()
- (v) Conversion ()
- (Vi) Hardware ()
- (vii) Check various sources of ideas ()