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AN EMPIRICAL INVESTIGATION OF THE SECURITY CONTROLS OF COMPUTERIZED ACCOUNTING INFORMATION SYSTEMS (CAIS) IN THE SELECTED LISTED COMPANIES IN SRI LANKA

by

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The work described in this thesis was carried out by me under the supervision of Prof. Dr. K. D. Gunawardana and a report on this has not been submitted in whole or in part to any university or any other institution for another Degree/Diploma.

N. Rajeshwaran

I certify that the above statement made by the candidate is true and that this thesis is suitable for submission to the University for the purpose of evaluation.

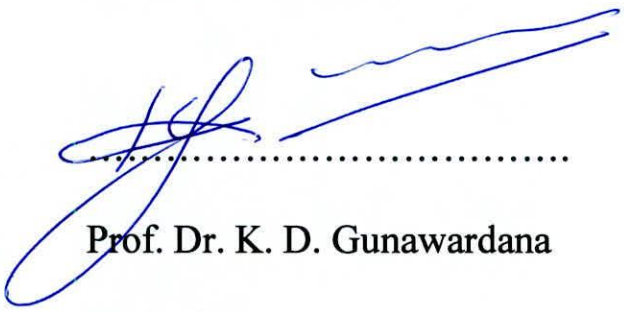

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TABLE OF CONTENTS

LIST OF TABLES ..... **vi**

LIST OF FIGURES ..... **xii**

ACKNOWLEDGEMENT ..... **xiv**

ABBREVIATIONS ..... **xv**

ABSTRACT ..... **xvi**

CHAPTER 01 ..... **1**

INTRODUCTION **1**

1.1 BACKGROUND TO THE STUDY 1

1.2 PROBLEM STATEMENT 6

1.3 OBJECTIVES OF THE STUDY 6

1.4 SCOPE OF THE STUDY 6

1.5 SIGNIFICANCE OF THE STUDY 7

1.6 THEORETICAL FRAME WORK 8

1.7 HYPOTHESES 8

1.8 METHODOLOGY 10

1.8.1 Sample 10

1.8.2 Data collection 11

1.8.3 Methods of data analysis 13

1.9 LIMITATIONS 13

1.10 TIME FRAME OF THE STUDY OR GANTT CHART 14

CHAPTER 02 ..... **15**

LITERATURE REVIEW **15**

2.1 INTRODUCTION 15

2.2 ACCOUNTING INFORMATION SYSTEM (AIS) 17

2.3 COMPUTERIZED ACCOUNTING INFORMATION SYSTEM (CAIS) 17

2.3.1 The Computer and Accounting Information - In Historical Perspective 17

2.3.2 Benefits of using a Computerized Accounting Information System 19

2.4 SECURITY CONTROLS OF CAIS 24

2.4.1 The objectives of CAIS security controls 24

2.4.2 Literature review related to conceptualization of the security controls of CAIS 28

2.4.3 Definition of the variable of primary interest - CAIS 60

2.4.4 Definition of the independent variables 61

2.5 SUMMARY 66

CHAPTER 03 ..... **67**

METHODOLOGY **67**

3.1 INTRODUCTION 67

3.2 RESEARCH DESIGN 67

3.2.1 Purpose of the study 67

3.2.2 Type of investigation 68

3.2.3 The extent of researcher interference 68

3.2.4 Study setting 68

3.2.5 Time horizon 68

3.2.6 Unit of analysis 68

3.3 RESEARCH METHODS 69

3.3.1 Survey method 69

3.3.2 Population and sampling procedures 71

3.3.3 Operationalisation of variables 73

3.3.4 Instrumentation Questions and data collection items 80

3.3.5 Level of measurement of variables 82

3.4 METHODS OF DATA ANALYSIS 82

3.4.1 Descriptive statistics/ Univariate analysis 83

3.4.2 One sample t test 83

3.4.3 One-way ANOVA 84

3.5 SUMMARY 86

CHAPTER 04 87

ANALYSIS OF DATA 87

4.1 INTRODUCTION 87

4.2 ANALYSIS OF RELIABILITY AND VALIDITY OF THE INSTRUMENT 87

4.3 DESCRIPTIVE/ UNIVARIATE ANALYSIS 88

4.3.1 Analysis of Number of Respondents 88

4.3.2 Nature of Accounting Information Systems of Companies 93

4.3.3 Security Policy 102

4.3.4 Administrative Security Controls 103

4.3.5 Hardware and Physical Access Security Controls 105

4.3.6 Software and Electronic Access Security Controls 108

4.3.7 Data Security Controls 111

4.3.8 Off-Line Programs and Data Security Controls 113
4.3.9 Utilities Security Controls 115
4.3.10 Bypassing of Normal Access Security Controls 116
4.3.11 Separation of Duties 118
4.3.12 Output Security Controls 119
4.3.13 Security Controls of Correct Processing in Applications 121
4.4 HYPOTHESES TESTING 123
4.4.1 Hypothesis testing 1 123
4.4.2 Hypothesis testing 2 141
4.4.3 Summary of Hypotheses 181
4.5 SUMMARY 181
CHAPTER 05 182
DISCUSSION 182
5.1 INTRODUCTION 182
5.2 SECURITY POLICY 182
5.3 ADMINISTRATIVE SECURITY CONTROLS 184
5.4 HARDWARE AND PHYSICAL ACCESS SECURITY CONTROLS 185
5.5 SOFTWARE AND ELECTRONIC ACCESS SECURITY CONTROLS 186
5.6 DATA SECURITY CONTROLS 188
5.7 OFF-LINE PROGRAMS AND DATA SECURITY CONTROLS 190
5.8 UTILITIES SECURITY CONTROLS 191
5.9 BYPASSING OF NORMAL ACCESS SECURITY CONTROLS 191
5.10 SEPARATION OF DUTIES 192
5.11 OUTPUT SECURITY CONTROLS 193

5.12 SECURITY CONTROLS OF CORRECT PROCESSING IN APPLICATIONS 194

5.13 SUMMARY 196

CHAPTER 06 197

CONCLUSIONS AND RECOMMENDATIONS 197

6.1 INTRODUCTION 197

6.2 CONCLUSIONS 197

6.3 RECOMMENDATIONS 203

6.3.1 Short term 203

6.3.2 Long term 207

6.4 FUTURE RESEARCH 209

6.5 IMPLICATIONS OF THE STUDY 209

REFERENCES 210

APPENDICES 218

APPENDIX - 1 THE QUESTIONNAIRE USED FOR THE STUDY 218

APPENDIX - 2 SPSS OUTPUT OF THE ANALYSIS 223

LIST OF TABLES

Table 1.1 Sampling Procedure 11

Table 1.2 Gantt chart of the study 14

Table 2.1 Analyzing level of adequacy of CAIS security controls - EBI 51

Table 2.2 Analyzing level of adequacy of CAIS security controls - Saudi organizations 53

Table 2.3 General Controls 55

Table 2.4 Application controls 57

Table 4.1 Result of Test - Retest 88

Table 4.2 Cronbach's Alpha Coefficients 88

Table 4.3 Respondents - Sector wise 90

Table 4.4 Research Sample 92

Table 4.5 Number of Accounting Professional 93

Table 4.6 Qualification of Accountants with security controls 94

Table 4.7 Number of Information System Specialists 95

Table 4.8 Type of Accounting System 96

Table 4.9 In house build software and Out source software 97

Table 4.10 Registered software and Unregistered software 98

Table 4.11 Local developed software and Foreign developed software 98

Table 4.12 Number of computers in the Accounting and other department 99

Table 4.13 Computer Usage 101

Table 4.14 Security Policy 102

Table 4.15 Security Policy – Overall Statistics 102
Table 4.16 Administrative Security Controls 103
Table 4.17 Administrative Security Controls – Overall Statistics 104
Table 4.18 Hardware and Physical Access Security Controls 105
Table 4.19 Hardware and Physical Access Security Controls – Overall Statistics 107
Table 4.20 Software and Electronic Access Security Controls 108
Table 4.21 Software and Electronic Access Security Controls – Overall Statistics 110
Table 4.22 Data Security Controls 111
Table 4.23 Data Security Controls – Overall Statistics 112
Table 4.24 Off-Line Programs and Data Security Controls 113
Table 4.25 Off-Line Programs and Data Security Controls – Overall Statistics 114
Table 4.26 Utilities Security Controls 115
Table 4.27 Utilities Security Controls – Overall Statistics 116
Table 4.28 Bypassing of Normal Access Security Controls 116
Table 4.29 Bypassing of Normal Access Security Controls – Overall Statistics 117
Table 4.30 Separation of Duties 118
Table 4.31 Separation of Duties – Overall Statistics 119
Table 4.32 Output Security Controls 119
Table 4.33 Output Security Controls – Overall Statistics 121
Table 4.34 Security Controls of Correct Processing in Applications 121
Table 4.35 Security Controls of Correct Processing in Applications – Overall Statistics 122
Table 4.36 One-Sample Statistics of Security policy 124
Table 4.37 One-Sample Test of Security Policy 124

Table 4.38 One-Sample Statistics of Administrative Security Controls..... 125
Table 4.39 One-Sample Test of Administrative Security Controls 125
Table 4.40 One-Sample Statistics of Hardware and Physical Access Security Controls 126
Table 4.41 One-Sample Test of Hardware and Physical Access Security Controls..... 127
Table 4.42 One-Sample Statistics of Software and Electronic Access Security Controls 128
Table 4.43 One-Sample Test of Software and Electronic Access Security Controls ... 128
Table 4.44 One-Sample Statistics of Data Security Controls 129
Table 4.45 One-Sample Test of Data Security Controls..... 130
Table 4.46 One-Sample Statistics of Off-Line Programs and Data Security Controls. 131
Table 4.47 One-Sample Test of Off-Line Programs and Data Security Controls 131
Table 4.48 One-Sample Statistics of Utilities Security Controls..... 132
Table 4.49 One-Sample Test of Utilities Security Controls 133
Table 4.50 One-Sample Statistics of Bypassing of Normal Access Security Controls 134
Table 4.51 One-Sample Test of Bypassing of Normal Access Security Controls..... 134
Table 4.52 One-Sample Statistics of Separation of Duties..... 135
Table 4.53 One-Sample Test of Separation of Duties 136
Table 4.54 One-Sample Statistics of Output Security Controls 137
Table 4.55 One-Sample Test of Output Security Controls 137
Table 4.56 One-Sample Statistics of Security Controls of Correct Processing in Applications 138
Table 4.57 One-Sample Test of Security Controls of Correct Processing in Applications 139

Table 4.58 One-Sample Statistics of CAIS security controls 140
Table 4.59 One-Sample Test of CAIS security controls 140
Table 4.60 Security Policy - Descriptive 142
Table 4.61 Test of Homogeneity of Variances - Security Policy 144
Table 4.62 ANOVA - Security Policy 144
Table 4.63 Administrative Security Controls - Descriptive 145
Table 4.64 Test of Homogeneity of Variances - Administrative Security Controls 146
Table 4.65 ANOVA - Administrative Security Controls 147
Table 4.66 Multiple Comparisons - Administrative Security Controls 1
Table 4.67 Hardware and Physical Access Security Controls - Descriptive 149
Table 4.68 Test of Homogeneity of Variances - Hardware and Physical Access Security Controls 150
Table 4.69 ANOVA - Hardware and Physical Access Security Controls 151
Table 4.70 Software and Electronic Access Security Controls - Descriptive 151
Table 4.71 Test of Homogeneity of Variances - Software and Electronic Access Security Controls 153
Table 4.72 ANOVA - Software and Electronic Access Security Controls 153
Table 4.73 Data Security Controls - Descriptive 153
Table 4.74 Test of Homogeneity of Variances - Data Security Controls 155
Table 4.75 ANOVA - Data Security Controls 155
Table 4.76 Multiple Comparisons - Data Security Controls 1
Table 4.77 Off-Line Programs and Data Security Controls - Descriptive 157
Table 4.78 Test of Homogeneity of Variances - Off-Line Programs and Data Security Controls 158

Table 4.79 ANOVA - Off-Line Programs and Data Security Controls 159
Table 4.80 Multiple Comparisons - Off-Line Programs and Data Security Controls 1
Table 4.81 Utilities Security Controls - Descriptive 161
Table 4.82 Test of Homogeneity of Variances - Utilities Security Controls 162
Table 4.83 ANOVA - Utilities Security Controls 163
Table 4.84 Multiple Comparisons - Utilities Security Controls 1
Table 4.85 Bypassing of Normal Access Security Controls - Descriptive 165
Table 4.86 Test of Homogeneity of Variances - Bypassing of Normal Access Security Controls 166
Table 4.87 ANOVA - Bypassing of Normal Access Security Controls 167
Table 4.88 Multiple Comparisons - Bypassing of Normal Access Security Controls 1
Table 4.89 Separation of Duties - Descriptive 169
Table 4.90 Test of Homogeneity of Variances - Separation of Duties 170
Table 4.91 ANOVA - Separation of Duties 170
Table 4.92 Output Security Controls - Descriptive 171
Table 4.93 Test of Homogeneity of Variances - Output Security Controls 172
Table 4.94 ANOVA - Output Security Controls 173
Table 4.95 Multiple Comparisons - Output Security Controls 1
Table 4.96 SCCPA - Descriptive 175
Table 4.97 Test of Homogeneity of Variances - SCCPA 176
Table 4.98 ANOVA - SCCPA 176
Table 4.99 Overall CAIS security controls - Descriptive 177
Table 4.100 Test of Homogeneity of Variances - overall CAIS security controls 178
Table 4.101 ANOVA - overall CAIS security controls 179

Table 4.102 Multiple Comparisons - overall CAIS security controls 1

Table 4.103 Summary of Hypotheses 181

Table 6.1 Summary of univariate analysis 197

Table 6.2 One-Sample t test 198

Table 6.3 Test of Homogeneity of Variances 199

Table 6.4 Results of ANOVA 200

LIST OF FIGURES

Figure 1.1 Theoretical frame work for study 9

Figure 2.1 The growth of the AIS 18

Figure 3.1 Sampling Procedure 72

Figure 4.1 Respondents - Sector wise 91

Figure 4.2 Research Sample 92

Figure 4.3 Number of Accounting Professional 93

Figure 4.4 Qualification of Accountants with security controls 94

Figure 4.5 Number of Information System Specialists 95

Figure 4.6 Type of Accounting System 96

Figure 4.7 In house build software and Out source software 97

Figure 4.8 Local developed software and Foreign developed software 99

Figure 4.9 Number of computers in the Accounting 100

Figure 4.10 Computer Usage 101

Figure 4.11 Histogram of Security policy 102

Figure 4.12 Histogram of Administrative Security Controls 104

Figure 4.13 Histogram of Hardware and Physical Access Security Controls 107

Figure 4.14 Histogram of Software and Electronic Access Security Controls 110

Figure 4.15 Histogram of Data Security Controls 112

Figure 4.16 Histogram of Off-Line Programs and Data Security Controls 114

Figure 4.17 Histogram of Utilities Security Controls 116

Figure 4.18 Histogram of Bypassing of Normal Access Security Controls 117

Figure 4.19 Histogram of Separation of Duties 119

Figure 4.20 Histogram of Output Security Controls 121

Figure 4.21 Histogram of Security Controls of Correct Processing in Applications.... 122

Figure 4.22 Means Plots - Security Policy 144

Figure 4.23 Means Plots - Administrative Security Controls 146

Figure 4.24 Means Plots - Hardware and Physical Access Security Controls 150

Figure 4.25 Means Plots - Software and Electronic Access Security Controls 152

Figure 4.26 Means Plots - Data Security Controls 154

Figure 4.27 Means Plots - Off-Line Programs and Data Security Controls 158

Figure 4.28 Means Plots - Utilities Security Controls 162

Figure 4.29 Means Plots - Bypassing of Normal Access Security Controls 166

Figure 4.30 Means Plots - Separation of Duties 170

Figure 4.31 Means Plots - Output Security Controls 172

Figure 4.32 Means Plots - SCCPA 176

Figure 4.33 Means Plots - Overall CAIS security controls 178

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ABBREVIATIONS

ANOVA	Analysis of variance
AIS	Accounting Information Systems
CAIS	Computerized Accounting Information Systems
COBIT	Control Objectives for Information and Related Technology
Dept.	Department
ERP	Enterprise Resource Planning
IS	Information Systems
ISACF	Information Systems Audit and Control Foundation
IT	Information Technology
SCCPA	Security Controls of Correct Processing in Applications

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Nadarajah Rajeshwaran

ABSTRACT

Drawbacks of the manual accounting systems, the rapid development of IT, availability of user friendly accounting software and the increased competition have forced companies to adapt Computerized Accounting Information Systems (CAIS) in order to remain competitive whereas threats to CAIS are unavoidable in the dynamic environment. In this scenario, security controls of CAIS are vital to the organizations. This study examines the existence and adequacy of implemented CAIS security controls to prevent, detect and correct security breaches in the selected listed companies in Sri Lanka. An empirical survey using a self-administered questionnaire has been carried out to achieve the objective. 41 out of 118 usable questionnaires have been collected to different types of companies representing 13 out of 20 sectors from 4th November to 10th December 2008. The results of the study spotlight a number of inadequately implemented CAIS security controls and significant differences among listed companies regarding the adequacy of implemented CAIS security controls. Based on the findings, some recommendations are given to strengthen the breaches in the present CAIS security controls in the listed companies. Findings of this study help accountants, auditors, managers, and IT users to better understand and secure their CAIS in order to achieve success of their visions.