



The Impact of Organizational Factors and Environmental Factors on the Adoption of Computer Assisted Audit Tools and Techniques (CAATTs) by SME in Sri Lanka

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Abstract

The study investigates the low adoption of Computer-Assisted Audit Tools and Techniques (CAATTs) in developing countries, focusing on environmental and organizational factors that influence technology adoption in firms, particularly small audit firms in Sri Lanka. Key variables identified include Clients' AIS complexity, firm size as organizational factors and, perceived support from professional accounting bodies, firm size, and top management commitment as environmental factors to CAATT adoption. The objective is to assess the impact of organizational and environmental factors on CAAT adoption by SME in Sri Lanka. The population comprises 71,126 small audit firms listed as Small and Medium-Sized Enterprises (SMEs) as of December 31, 2021, according to the Accounting Auditing Standards Monitoring Board in Sri Lanka. A sample size of 40 small audit firms was selected from this population. Data collection involved distributing questionnaires among auditors, with analysis conducted using the SPSS version 23. Correlation analysis reveals a positive correlation between all variables and CAATT adoption, while regression analysis demonstrates the impact of AIS complexity, perceived support from professional accounting bodies has a high impact on CAAT adoption by SME. The findings suggest that organizational factors such as AIS complexity and Perceived Support from professionals play a significant role in CAATT adoption among small audit firms. In conclusion, the study highlights the importance of considering organizational factors, such as in promoting CAATT adoption. These findings provide valuable insights for enhancing audit productivity and reducing costs in developing countries like Sri Lanka.

Keywords - SME, CAAT, Organizational factors, Environmental Factors

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Introduction

This study investigates the impact of organizational and environmental factors within audit firms on the uptake of computer-aided audit tools and techniques (CAATTs). Despite advancements in information technology (IT) within businesses, the alignment with IT-based audit procedures in the era of big data is not always seamless. However, leveraging IT-based audit practices is crucial for fostering business innovation processes, enabling auditors to efficiently monitor and review their tasks (Ramen et al. 2015).

Research by Praktiyasa (2016) and Legowo (2014) indicates that CAAT enhance auditor performance, leading to more efficient audit results and informed decision-making. Omunuk (2015) further underscores the positive impact of CAATTs on audit quality in large companies. Despite these benefits, previous studies (Ahmi & Kent, 2013; Fischer, 1996; Hogan et al., 2008) suggest that audit technologies remain underutilized, with external audit procedures often remaining rudimentary. This sentiment is echoed by a 2011 World Bank report highlighting the use of rudimentary methods by Indonesian auditors, particularly in identifying fraud and forming opinions for "going concern" assumptions.

Despite the benefits of CAATTs in improving audit operations, small audit firms face challenges in deploying them due to the financial burden of investing in IT infrastructure. Moreover, the adoption of CAATTs is influenced by the

support from management, particularly high-ranking officials like partners, and external pressures from clients, vendors, and competitors.

Embracing technology during the audit process is considered a "best audit practice" to enhance audit quality (Kinney Jr, 1986). Firms like Price Waterhouse Coopers (PwC) integrate audit technology into their services to ensure the application of best practices throughout the audit process (Winogard et al., 2000).

Despite the known benefits of CAATT adoption, recent research highlights the poor utilization of CAATs by internal auditors (Dias & Marques, 2018; Li et al., 2018). Internal auditors often resort to basic audit analytics techniques, such as Microsoft Excel, due to limitations in utilizing data analytics effectively for their job functions (World Bank report, 2017).

Despite the recognized benefits of Computer-Assisted Audit Tools and Techniques (CAATTs) in enhancing audit efficiency and effectiveness, their adoption by external auditors in developing countries remains notably low. This issue is particularly evident in small audit firms in Sri Lanka. Previous research indicates that several factors influence the adoption of CATTs, including organizational factors such as firm size and top management commitment, environmental factors such as clients' Accounting Information Systems (AIS) complexity, and perceived support from professional accounting bodies.

Small audit firms often face significant resource constraints, making it challenging to invest in advanced technologies like CAATTs (Alleyne & Amaria, 2017). Additionally, the commitment of top management is crucial for the adoption of new technologies, but many decision-makers in these firms may resist change due to perceived risks and uncertainties (Cheng et al., 2019). Furthermore, the perceived support from professional accounting bodies can significantly influence adoption decisions. Firms that receive adequate guidance and resources from these bodies are more likely to adopt CAATTs (Li et al., 2018).

Environmental factors also play a critical role. The complexity of clients' AIS can drive the need for CAATTs, as these tools help manage and analyze complex data effectively (Li et al., 2018). However, in the absence of regulatory pressure or incentives, firms may lack the motivation to invest in such technologies.

Technological factors, such as the perceived ease of use and usefulness of CAATTs, are also significant. If auditors find these tools user-friendly and beneficial, they are more likely to adopt them. Training and continuous support can mitigate initial resistance and help auditors realize the full potential of CAATTs (Huang et al., 2019). The availability of technical support is another critical factor, as small firms may lack in-house expertise to implement and maintain these tools (Spathis & Constantinides, 2004).

This study aims to address the gap in understanding the factors influencing CAATT adoption among small audit firms in Sri Lanka. By examining organizational, environmental, and technological factors, the research seeks to provide insights into how these variables impact audit productivity and cost reduction, ultimately contributing to the broader discourse on technology adoption in developing countries.

However, there is limited evidence on the factors influencing the adoption of CAATTs by external auditors, particularly in developing countries. To address this gap, researchers focus on understanding the factors influencing internal auditors' adoption of CAATTs in Sri Lanka..

Based on the above problem statement, the research objective can be defined as follow.

1. What is the impact of Clients' AIS on adoption of CAATTs?
2. What is the impact of Perceives level of professional accounting body support on adoption of CAATTs?
3. What is the impact of Firm size on adoption of CAATTs?
4. What is the impact of Top management commitment on adoption of CAATTs?

Based on the above discussed research questions, this study intends to achieve two main objectives as follows:

1. To identify the impact of Clients' AIS on adoption of CAATTs

2. To identify the impact of Perceives level of professional accounting body support on adoption of CAATTs
3. To identify the impact of Firm size on adoption of CAATTs
4. To identify the impact of Top management commitment on adoption of CAATTs

This study holds significant importance in contributing to the enrichment of knowledge by providing empirical evidence in the field of SME entrepreneurship, an area that has been relatively less explored by previous researchers. The findings of this research will shed light on the extent to which SME entrepreneurs utilize CAATTs, thereby aiding them in expanding their business scale and remaining competitive in their respective fields.

However, several limitations need to be acknowledged. Firstly, the time duration allocated for the study poses a constraint, as data collection and analysis must be completed within a limited timeframe. Secondly, the researcher's knowledge barriers in conducting research may impact the study's outcomes, as the researcher's experience level in this domain is relatively low. Lastly, the accuracy of the collected data may be compromised, as respondents completing the questionnaires could exhibit bias, thereby limiting the validity of the research findings.

Literature review

Technology, Organization and Environment Framework (TOE)

Specifically, the research makes use of

the Technology, Organization, and Environment (TOE) framework, which functions as the conceptual basis for the investigation. The core constructs of this framework are derived from the TOE theoretical framework that was proposed by Ulla et al., (2021). This framework is well-known for its ability to predict whether or not a company intends to adopt an information system (IS). According to Oliveira & Martins (2011), the TOE framework offers a significant amount of insight into the factors that influence the adoption of new technological innovations by businesses. It is made up of three primary constructs, which are the technological context, the organizational context, and the environmental context of the company. There have been a great number of studies that have utilized the TOE theoretical framework in order to investigate the process of technology adoption. Some examples of these studies include Awa, Ojiabo, & Emecheta (2015), Baker, et al., (2012), and Oliveira & Martins (2011).

Environmental Context and CAATTs

In this study, researcher aims to define the environmental factors influencing CAATTs adoption in small audit firms. The environmental context encompasses various facets of a company's operations, including industry dynamics, competitive landscape, resource availability, and governmental affairs (Ulla et al., 2021). Notably, the level of support from professional bodies, legislative frameworks, the supplier of Generalized Audit Software (GAS),

client size, and sector play pivotal roles in shaping auditors' inclination towards IT adoption in audit practices (Rosli et al., 2016). Previous research underscores that client expectations and support from professional bodies are paramount in driving technology adoption (Widuri et al., 2017).

The complexity of clients' accounting information systems (AIS) serves as a metric for gauging their utilization of CAATTs. This complexity encompasses factors such as the degree of computerization in financial reporting systems (Janvrin et al., 2009) and the intricacy, difficulty, and nature of transactions processed by the AIS (Ahmi & Kent, 2013). The transition towards electronic processing and storage of financial records within computerized accounting systems is propelled by technological advancements like blockchain and automation, rendering manual audit trail tracking arduous (Katamba et al., 2017).

Past research underscores that the complexity of clients' IT infrastructure significantly influences CAATTs usage, particularly in developed nations. The evolution of clients' complex IT ecosystems necessitates a shift in audit procedures towards heightened controls rather than substantial testing (Axelsen et al., 2017).

Furthermore, the role of regulatory bodies in emerging nations is pivotal in enhancing audit firms' awareness of technological advancements (Janvrin et al., 2009). Regulatory organizations like the Malaysian Institute of Accountants (MIA) and the International Federation of Accountants (IFAC) play key roles by issuing standards such as the

International Standard on Auditing (ISA) 300 and 330, guiding professional members in conducting audits leveraging CAATTs. Notably, professional body recommendations significantly influence auditors' choice of audit tools, as emphasized by Mahzan & Lymer (2009). These bodies play crucial roles in disseminating information about technological advancements to their members, providing direction, support, and training in technology utilization.

Organizational Context and CAATTs

The organizational context encompasses several key dimensions, including the size of the business, complexity of its management structure, quality of human resources, and availability of internal resources. Notably, the current study emphasizes crucial factors such as the size of the audit firm (Big 4, medium, and small), inclination towards Generalized Audit Software (GAS) implementation, IT capability, and IT capital budget.

Research by Widuri et al. (2016) underscores that major audit firms lead in adopting audit technology, with Big 4 or larger audit firms exhibiting more frequent usage of GAS compared to smaller counterparts. The size and type of audit firms significantly influence GAS adoption, as they attract large businesses with intricate IT systems. Moreover, management support for GAS adoption and the IT proficiency of audit firm employees are deemed critical (Rosli et al., 2016).

However, smaller enterprises may face resource constraints in leveraging

technology to audit clients with complex IT setups (Lowe et al., 2017). Financial constraints may hinder significant investments in IT infrastructure necessary to meet the needs of such clients. Additionally, smaller organizations may prioritize other aspects over IT audit, viewing it as less essential, a perspective echoed by Lowe et al. (2017) and Axelsen et al. (2017).

The adoption of Computer-Aided Audit Tools and Techniques (CAATTs) is influenced by various factors, including organizational size, as noted by Pedrosa et al. (2020). Daoud et al. (2021) suggest a positive correlation between organizational size and CAATT adoption, highlighting those larger entities with more activities and procedures tend to have better access to CAATTs. This sentiment is echoed by Joshi & Li (2016), who argue that larger organizations have a greater need for CAATTs due to the complexity of their operations.

Additionally, the complexity of CAATTs and organizational size have been found to be positively correlated according to the studies of Rosli et al., (2013), Abou-El-Sood et al., (2015), and Pedrosa et al., (2020). However, smaller entities may not perceive the investment in CAATTs as economically viable (Barnes and Webb, 2007).

Fraud control is another crucial consideration, with research by Fuzi et al., (2019) indicating that internal auditors in large organizations frequently utilize data mining and analytical tools to detect fraudulent schemes. Larger companies often employ more fraud detection tools, leading to higher rates of fraud

detection (Kummer, Singh, and Best, 2015).

Top management support emerges as a critical factor influencing managerial beliefs and engagement related to CAATTs usage, with top management commitment acting as a moderator of the relationship between CAATTs usage and audit performance impact (Foss & Stieglitz, 2014). By facilitating structural, procedural, and cultural shifts, executives can facilitate the successful adoption of new technologies (Bradford and Florin, 2003). Pre-adoption planning and employee technology adoption are expedited through effective communication and coordination, ultimately increasing the likelihood of auditors embracing new audit technologies with encouragement from management (Mahzan & Lymer, 2009).

Methods

Through the use of quantitative techniques, this research takes a predominantly deductive approach. Structured questionnaires are employed as the major mode of data collection in this research. Deductive reasoning is used in this study, and the approach was chosen because it is good in filling in knowledge gaps and addressing the research issues.

Based on the conceptual framework given, the following hypotheses are developed. (Figure 1)

1. Main hypothesis

H1: There is an impact of organizational factors on CAAT adoption.

Sub hypothesis

H1A: There is an impact of clients' AIS complexity and CAATTs adoption

H1B: There is an impact of firm size and CAATTs adoption

2. Main hypothesis

H2: There is an impact of environmental factors on CAAT adoption.

Sub hypothesis

H2A: There is an impact of perceives level of professional accounting body support and CAATTs adoption

H2B: There is an impact of top management commitment and CAATTs adoption.

The population for this study is 71,126, which included small audit firms in the list of SBEs as at 31 December 2021 according to the Accounting and Auditing Standards Monitoring Board Sri Lanka.

Probability sampling and non-probability sampling are the two categories of sampling designs. Non-probability sampling is a sampling approach where the units of the sample are chosen based on convenience or personal preference. The sample selection is done using the convenience sampling approach.

The population's subset is referred to as a sample. Some of its members were chosen from it (Sekaran & Bougie, 2010). 40 small audit firms were chosen as the sample size for this study.

The IBM Statistical Package of Social Sciences will be used to examine the data that will be collected from a

questionnaire given to the auditors (SPSS 23). Based on the hypothesis and objectives, the researcher used regression and correlation analysis to test the hypothesis.

The researcher took ethical considerations into account to ensure credibility throughout the investigation. Any content derived from other authors was properly cited in order to avoid plagiarism. In addition, questionnaires were only sent to those who consented to take part in the study. Participants were free to decline participation, though, if that was their choice for any reason. Furthermore, the study followed strict confidentiality guidelines, meaning that no information was shared with unauthorized parties. To increase participant anonymity, participants received guarantees regarding the accuracy of their data, and responses were prohibited from disclosing any personal information.

Results

According to the table 1, The variables CAATTs Adoption, Clients' AIS complexity, Perceived level of professional accounting body support, Firm size, and Top management commitment have Cronbach's alpha values ranging from 0.707 to 0.750, all with 4-7 items each. All variables were accepted, indicating good internal consistency for the measures used. According to table 2, the KMO Measure of Sampling Adequacy evaluates the proportion of variance among the variables that might be common variance. The value obtained for the KMO measure is .746, which falls into the range considered

acceptable (values between 0.7 and 0.8 are generally deemed good). This suggests that the sample is adequate and factor analysis is likely to yield reliable factors. Bartlett's Test of Sphericity tests the hypothesis that the correlation matrix is an identity matrix, which would indicate that the variables are unrelated and unsuitable for structure detection. The test produced an approximate chi-square value of 1699.284 with 10 degrees of freedom and a significance level (Sig.) of .000. The significant result ($p < .05$) indicates that the correlation matrix is not an identity matrix, meaning that there are significant relationships among the variables, making the data suitable for factor analysis.

When all variables' averages are greater than five points, the mean is the average of all replies to each variable. As representing in the table 2, the mean, which varies from 3.8375 to 4.1250 and is regarded as having a modest variation, represents the standard spreading zone of responses around the mean value. The highest standard deviation is representing in the complexity of the CAATTs (0.90325), and lowest standard deviation is in the CAATTs adoption (0.67153). Skewness and Kurtosis value implies the normality distribution data. All the skewness value representing a negative value. Kurtosis values for the Perceives and CAATTs adoption.

As representing on the table 5 Regarding the first regression involving the sample with a high dividend yield, it is pertinent to first talk about the R-Square value that the

model offered. According to the table, this model's R-Square value was 85%, which means that it accounts for 85% of the perceived variance in the dependent variable, CAATTs adoption. 15% of the other factors that have an impact on the CAATTs but are not considered in this study.

Based on the regression coefficient tables 6, the coefficient (Beta) represents the standardized effect of each independent variable on CAATTs, allowing for comparison of the relative strength of these effects. A higher Beta value indicates a stronger influence on CAATTs.

Clients' AIS complexity demonstrates a significant negative relationship (Beta = - 0.230, $p < 0.001$) with CAATTs, suggesting that as clients' accounting information systems become more complex, the use of CAATTs tends to decrease. This implies that auditors may rely more on advanced technological tools when dealing with intricate AIS environments.

The perception of professional accounting body support exhibits a significant positive association (Beta = 0.225, $p = 0.041$) with CAATTs. This indicates that when professionals perceive a higher level of support from accounting bodies, they are more likely to utilize CAATTs in their auditing processes, possibly due to confidence in the endorsement and guidance provided by these bodies.

Firm size has a smaller standardized coefficient compared to the other variables. A one standard deviation

increase in firm size is associated with a 0.106 standard deviation increase in CAATTs. However, its significance level ($t = 0.697$, $p = .001$) suggests that its impact may be less pronounced compared to the other factors.

Top management commitment demonstrates the most substantial positive relationship (Beta = 0.761, $p < 0.001$) with CAATTs. This implies that when top management is highly committed to the use of CAATTs in auditing, there is a significant increase in their utilization. This could be attributed to top management's influence on organizational culture and resource allocation towards technology adoption in audit processes.

Discussion

H1A: There is an impact of Clients' AIS complexity and CAATTs adoption

The regression analysis supports this hypothesis, as Clients' AIS complexity demonstrates a significant positive relationship with CAATTs adoption (Beta = 0.230 $p < 0.001$). This suggests that as the complexity of clients' accounting information systems increases, there is a corresponding decrease in the adoption of CAATTs by auditors. Therefore, the hypothesis is supported by the empirical evidence. Clients' IT complexity influences the usage of CAATTs in developed nations, according to previous research from the standpoint of individual auditors (Ahmi and Kent, 2013; Axelsen et al., 2017). Clients' complex IT infrastructures have changed the way

audit procedures are undertaken (Janvrin et al., 2009a), necessitating more controls rather than substantial testing (Axelsen et al., 2017). This is also similar to the current research.

H2A: There is an impact on Perceives level of professional accounting body support and CAATTs adoption

The regression analysis also supports this hypothesis, with the perceived level of professional accounting body support showing a significant positive relationship with CAATTs adoption (Beta = 0.225, $p = 0.041$). This indicates that auditors who perceive higher levels of support from professional accounting bodies are more likely to adopt CAATTs in their audit practices. Hence, the empirical evidence supports the hypothesis. According to Mahzan and Lymer (2009), the professional body is critical in distributing information about new technological advancements to active members, as well as giving direction, support, and training in the use of technology. Hence they identified that, There is an impact of Perceives level of professional accounting body support and CAATTs adoption. This is also have been proved by the current research as well.

H1B3: There is an impact of Firm size and CAATTs adoption

Based on the regression results this hypothesis is also supporting a significant relationship between firm size and CAATTs adoption (Beta = 0.106, $p = 0.001$). This suggests that firm size does have a substantial

influence on the adoption of CAATs in audit practices. Therefore, the empirical evidence does not support the hypothesis, indicating that firm size may not be a significant determinant of CAATs adoption. Because they can examine complicated AIS, bigger audit firms are more often chosen by businesses (Ismail et al., 2006). Conversely, smaller firms may not have the resources to use technology to audit customers with complex IT systems (Lowe et al., 2017). Client AIS complexity would have less of an influence on CAATs adoption for smaller businesses with less IT-related resources, but more of an impact for bigger businesses with more IT-related resources.

H2B4: There is an impact of Top management commitment and CAATs adoption

The regression analysis strongly supports this hypothesis, as top management commitment demonstrates a highly significant positive relationship with CAATs adoption (Beta = 0.761, $p < 0.001$). This indicates that when top management is committed to the use of CAATs in audit processes, there is a substantial increase in their adoption by auditors. Hence, the empirical evidence strongly supports the hypothesis, highlighting the crucial role of top management commitment in driving CAATs adoption. According to Curtis and Payne (2008), auditors' supervisors and the voluntary usage of CAATs both influence their decision-making. The use of new technologies by auditors in audit

companies has an impact on top management support (Curtis & Payne, 2008). Top management was also seen by Rosli et al. (2012) as having a favorable impact on a company's choice to use CAATs.

H1: There is an impact of organizational factors on CAAT adoption

This main hypothesis investigates how various internal organizational dynamics affect the adoption of CAATs within audit practices. It encompasses factors such as Clients' AIS complexity and firm size, aiming to understand their collective influence on the adoption of CAATs. By examining these organizational factors, the hypothesis seeks to uncover the internal drivers that shape the extent to which auditors utilize CAATs in their work.

H2: There is an impact of environmental factors on CAAT adoption.

This main hypothesis expands the scope beyond internal organizational dynamics to include external environmental factors alongside organizational factors. It considers elements such as the perceived level of professional accounting body support and top management commitment, in addition to environmental influences. By integrating both organizational and environmental perspectives, the hypothesis aims to provide a comprehensive understanding of the multifaceted influences on CAAT adoption within the auditing profession.

Conclusion

The main finding of the research identified four main variables that impact the CAAT such as complexity, perception, firm size, and commitment. The highest factors that impact the CAAT is top management commitment. Hence managers should more focus on the employee capacity to use the CAAT in the organizations. The findings of the research is significant for the SME sector managers in identifying the best use of CAATTs Adoption. The findings also can be used by the management accountant and the other interested parties to get a thorough knowledge about CAATTs Adoption in developing country like Sri Lanka. Further, the findings of the research can also serve as a foundation for the government decision makers to encourage the SME to use CAATTs Adoption to help them in conducting their CAATTs Adoption. As well as SME entrepreneurs can become more professional in managing their accounts by using better CAATTs Adoption. Since getting the real CAATTs usage data was not practical, the study's limitations stem from our assumption that participants would be able to report reliably and correctly the utilization levels of the different CAATTs at the organizational level. Due to their setting, we primarily focused on how CAATT adoption was seen in the context of audit firms engaged in public practice.

Implication of the research

The empirical studies mentioned that the level of education is impact for the

CAATT adoption of SME. CAATT adoption into the SME is more sustainable when using high education of CAATT adoption. As a result, the SME needs to have more practice knowledge of the CAATTs Adoption.

Early adoption of CAATTs Adoption can aid them in identifying the accounting process that will meet adequate firm demand. According to the research, the SME sector needs to analyze the firm age. In addition, regardless of the firm size, the SME needs to use CAATT adoption.

For SME need to spend heavily in technological systems that facilitate the implementation of CAATTs Adoption in order to benefit and maximizing the use of accounting procedures. As a result, firms can take a competitive advantage over their competition.

It is suggested that the government need to provide the best financial support for SME sector development through government business incubators and subsidies. As a result, the government need to offered services to march specific demands. Checkups need to be done as soon as possible after support has been given. A more detailed analysis of CAATTs adoption may be done in the future. Which CAATTs, for instance, are used by the various audit firm sizes, such as the Big 4, national, and small firms? What are the differences between the client AIS tools used by CAATTs and those used by the industrial, banking, and healthcare sectors? Examining the factors that affect how professional accounting bodies are seen to be supported is another area of study possibility. Future studies on these subjects may use the in-depth

qualitative methodology and "explanation theory" advocated by Axelsen et al (2017).

analysis, and interpretation independently. The author wrote the manuscript, including the literature review, methodology, analysis, discussion, and conclusion sections, ensuring comprehensive coverage of the study's objectives and findings.

Author Contributions

The author conceived the research idea and conducted data collection,

Figures and Tables

Figure 1: Conceptual Framework Organizational factors

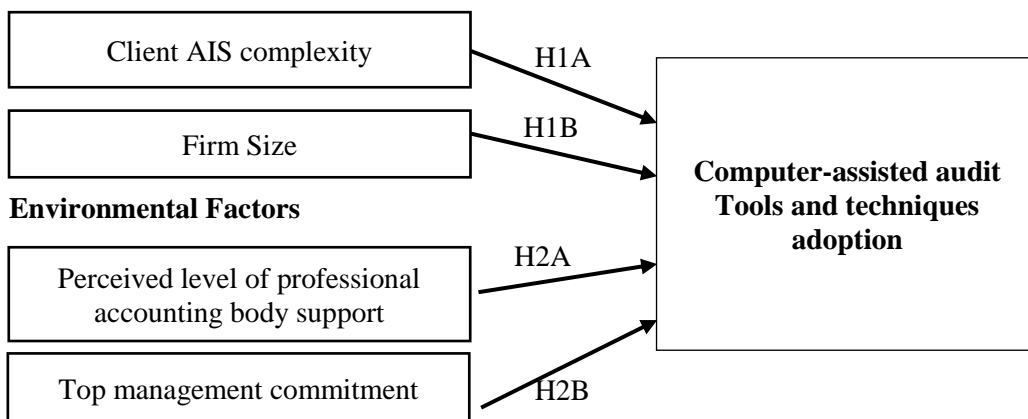


Table 1: Reliability Analysis

Variable	Alpha value	Number of items	Accepted or not
CAATTs Adoption	0.735	7	Accepted
Clients' AIS Complexity	0.750	4	Accepted
Perceives Level of Professional Accounting Body Support	0.733	4	Accepted
Firm Size	0.743	4	Accepted
Top Management Commitment	0.707	4	Accepted

Source – Survey data 2023

Table 2 KMO Validity test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.746
Bartlett's Test of Sphericity	Approx. Chi-Square	1699.284
	df	10
	Sig.	.000

Table 3 Descriptive Statics

	Mean		Std. Deviation	Skewness		Kurtosis	
	Statistic	Std. Error	Statistic	Statistic	Std. Error	Statistic	Std. Error
Clients' AIS complexity	3.8375	.14282	.90325	1.017	.374	1.123	.733
Perceives level of professional accounting body support	3.9188	.14277	.90296	-.602	.374	-.424	.733
Firm size	4.1250	.12241	.77418	-.791	.374	.134	.733
Top management commitment	3.9875	.12498	.79047	-.930	.374	1.060	.733
CAATTs Adoption	3.9750	.10618	.67153	-.403	.374	-.284	.733
Valid N (listwise)							

Source – Survey data 2023

Table 4 Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.922 ^a	.850	.833	.27478	.850	49.484	4	35	.000	1.834
a. Predictors: (Constant), Top Management Commitment, Client's AIS Complexity, Perceive Level of Accounting Body Support, Firm Size										
b. Dependent Variable: CAATTs										

Table 5 ANOVA

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	14.945	4	3.736	49.484	.000 ^b
	Residual	2.643	35	.076		
	Total	17.587	39			
a. Dependent Variable: CAATTs						
b. Predictors: (Constant), Top Management Commitment, Client's AIS Complexity, Perceive Level of Accounting Body Support, Firm Size						

Source – Survey data 2023

Table 6 Coefficient

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.503	.275		1.829	.006
Clients' AIS complexity	-.230	-.066	-.309	-3.480	.001
Perceives level of professional accounting body support	.225	.106	.302	2.118	.041
Firm size	.106	.152	.122	.697	.001
Top management commitment	.761	.127	.896	5.976	.000

Source – Survey data 2023

Table 7 Hypothesis testing using regression

Hypothesis	β Coefficient	P value	Significant or not	Accept or reject
H1: There is an impact of Clients' AIS complexity and CAATTs adoption	-.230	.001	Significant P < 0.05	Accepted
H2: There is an impact on perceived level of professional accounting body support and CAATTs adoption	.225	.041	Significant P < 0.05	Accepted
H3: There is an impact on Firm size and CAATTs adoption	.106	.491	Significant P > 0.05	Rejected
H4: There is an impact of Top management commitment and CAATTs adoption	.761	.000	Significant P < 0.05	Accepted

Source – Survey data 2023

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