PREVENTIVE ACCOUNTING CONTROLS AND ORGANIZATIONAL PERFORMANCE OF SELECTED SMES IN BUJUMBURA CITY, BURUNDI

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ABSTRACT

This study aims to identify the effect of preventive accounting controls on organizational performance of selected SMEs in Bujumbura City, Burundi and specifically, the study is driven by effect of segregation of duties on organizational performance of selected SMEs in Bujumbura City, Burundi; effect of physical loss prevention on organizational performance of selected SMEs in Bujumbura City, Burundi; and effect of proper reporting on organizational performance of selected SMEs in Bujumbura City, Burundi. 1463 workers were targeted from the 10 selected companies. A representative sample of 314 workers of the SMEs were selected to participate in the study using Yamane, (1967) Formula together with proportionate stratified random sampling method .From 314, 302 successfully filed and returned the questionnaire. Linear regression analysis was used to assess the effect of preventive accounting controls on the organizational performance of selected SMEs in Bujumbura City, Burundi. Hierarchical linear regression model was used to assess the moderation effect of government regulations on the relationship between preventive accounting controls and organizational performance of selected SMEs in Bujumbura City, Burundi. The findings of the study show that preventive accounting controls had a statistically significant positive effect on the organizational performance of selected SMEs in Bujumbura City, Burundi ($\beta= 0.387, t = 11.498, p=0.000 <0.05$). The moderation analysis also shows that government regulations had no significant moderation effect on the

relationship between preventive accounting controls and the organisational performance among the SMEs in Bujumbura City, Burundi(ß = -0.046, t =-1.208, p-value =0.228 >0.05). The study therefore concludes that preventive accounting controls have a statistically significant effect on the organisational organizational performance among the SMEs in Bujumbura City, Burundi, and that government regulations have no significant moderation effect on the relationship between preventive controls and organisational performance among SMEs in Bujumbura City, Burundi. The study recommends that small and medium-sized enterprises should check their organizational performance by carrying out preventive controls to ensure that organizational goals are accomplished.

KEYWORDS: preventive controls, profitability, organizational performance, government regulations, SMEs.

1.   INTRODUCTION

1.1.   Background of the study

Small and medium-sized enterprises (SMEs), whatever their size, must expand and stay competitive and succeed smoothly and profitably (Harash, 2017). Globally, SMEs play a significance role on the real GDP growth by providing new jobs and reducing poverty (Karadag, 2016). They are the key source of income and employment, responsible for about 70% of workers on average and contribute significantly to the production of income, creating an average of between 50 and 60% of added value (OECD, 2017). According to Briozzo and Riportella (2012), SMEs are the foundation of the European economy accounting 99.8% of all non-financial startups, 58% of total Economic benefit and 66.8% of total employment while in Japan small and medium-sized enterprises account for 99.7% of all businesses, 70% of all employees and over 50 % of the total economic benefit of the firms (ChushoMeti, 2013).

In Burundi, SMEs are important to a country's economic development by producing new employment, new goods and industries around the country (Chanelle, 2013). SMEs in Burundi are recruiting around 85 % to 95 percent of the workers, preparing business owners, increasing revenue, offering a source of earning for most of the country's low-income households, representing 10 percent of the country's GDP (GBAD, 2019). The Burundian Small Business sector thus fulfills a number of social economic and foreign policy goals, especially to reduce community poverty, which dramatically increases with rising pressure on

agricultural land, forcing the communities interested to live in the cities in the intention of gaining paid jobs (API, 2019). According to the Doing Business report (2018); Burundi is ranked 42 for Business Creation, 132 for investor protection, and 138 for Tax Payment. The establishment of SMEs is more crucial in Burundi which is one of the poorest nations in Africa and the investment in the private industry is now increasing because the government helps upstream and downstream investors (API, 2019). Nowadays, we can say that SMEs can accurately increase the Burundian economy in comparison to compared to huge companies.

Preventive controls are indicators, according to Nandom et al., (2017), implemented at management in order to reduce or protect failure to comply with recommendations, rules and standards. Such preventive checks are recommended to minimize and reduce risk in operations, the probability of error or fraud and abnormality. Preventive security mechanisms include joint accountability, proper authorization, proper reporting, and physical loss prevention. According to Regine Adele Ngono Fouda (2012), import taxes, limiting contingents and multiple other inflexible government regulations all in terms of protectionism are fiscal policy made to limit trade between the countries and protect the exercise of foreign control by local markets and businesses. A tax is a compulsory financial levy taken by an administration in exchange for a given service.

Profitability is the key problems of organization performance in evaluating potential steps to boost organizational effectiveness (Suárez, 2016). In order to increase the quality of work by using a modern technology correlation, corporate governance have been widely covered over the years in several profession in corporate sector (Kareem et al., 2019). Organizational performance involves effective and efficient evaluation of probable actions to improve organization, both financial and non-financial. The company performance in this study can be measured by evaluating certain financial ratios like profitability which are extremely hard for companies because of accountancy loss, related to their activities and their ownership system. The meanings that have been applied to the term of SMEs vary between countries and within the relatively similar nation, depending on their particular needs. In action, appropriate statistical measures are often used to assess the qualifications for providing assistance or support involves the use of statistical or fiscal requisites. For this, according to (Gibson & Vaart, 2008), a business with 250 employees in developing nations such as Burundi would be a much more category business in its own region, with far more market force, leverage and development potential than most other countries worldwide without extra consideration.

Small companies are more important, in addition, in small emerging economies, where large companies are constrained in their establishment by scale, technology, resources and other resource constraints (Mahendra, 2007). A typical example in Burundi is technology, Research and Development (R&D) and infrastructure. Compared to big businesses, SMEs are more versatile and can be adapted to economic conditions easily.

1.2. Statement of the Problem

Preventive accounting controls as one of the accounting controls has been identified as major key for improving the organizational performance especially in management of small and medium-sized companies around the world. However, according to the study conducted by Tuna Hussein (2018), there is absence of a mechanism to classify financial statements as well as other insurance missions and related services. For that, the level of compliance with control activities is generally viewed as relatively low, affecting substantially the quality of information provided by companies in Burundi. In the global competitiveness report 2018, Burundi ranks 125th out of 135 countries with 3.21 out of 7 and stresses that the competitiveness of Burundi companies is at the forefront of factors such as market sizes, exposure to innovations, technological skills acquisitions and growth of the financial sector. All this because the preventive controls practices are not well performed and it affects the performance of SMEs. This study sought to analyze the effect of preventive accounting Controls on organizational performance of selected SMEs in Bujumbura City, Burundi.

1.3. Objectives of the study

The focus of the research was to analyze the effect of preventive accounting controls on organizational performance of selected SMEs in Bujumbura City, Burundi. The specific objectives are:

i.   To examine the effect of preventive accounting controls on organizational performance of selected SMEs in Bujumbura City, Burundi.

ii. To determine the moderating effect of government regulations on the relationship between preventive accounting controls and organizational performance of selected SMEs in Bujumbura City, Burundi.

1.4. Research Hypothesis

The following was the research null hypothesis:

H_{01}: Preventive accounting controls has no significant statistical effect on the organizational performance of SMEs in Burundi.

H_{02}: Government regulations have no significant statistical moderating effect on the relationship between preventive accounting controls and organizational performance of SMEs.

2. LITERATURE REVIEW

2.1. Agency Theory

The Agency theory introduced by Jensen & Meckling (1976) notes that employees are financially reasonable human beings aimed at maximizing self-interest. The behaviors of top managers are examined because they usually face greater department disputes, as internal management executives. Agency Theory must explain economic actions resulting from ownership, monitoring and management segregation (Songini & Gnan, 2015). The agency theory is a contract between the head and the agent, which, after the principal representatives who give part of the respective functions, carries out activities or services on behalf of the boss. The theory of the Agency reinforces the authority of team leaders over organizational knowledge. It neither alters their conduct nor function as managers of a company's wealth, in the best interest of the company.

The agency theory suggests that when management and proprietorship intersect, a company performs better, because there are no agency costs. As a result, frameworks for managing costs are not needed for agencies. As a result, agency-oriented executives have to pursue short-term accomplishments to protect or encourage their individual work (Palley, 1997). Family members must be efficient when trying to solve problems between services since the power is ultimately retained by investigators. The monitoring society, as a community corporation, is a popular form of organization, should use its capacity continue providing managerial functions for community members. This approach can nevertheless endanger the firm's long - term growth, as long as the families are not really the best business leaders. Agency Theory underlines the important role of formal knowledge systems, including budgeting, the MBO (Management by Objective) and the Director's Office. This means businesses must invest in Information Technology programs to handle employee opportunism.

Agency theory will be used in this study to understand the relationship between directors and employees. This refers to the fundamental manager issue. The main agent issue occurred when a principal's and agent's interests come into conflict. Through strong corporate policy, firms will try to reduce this condition. Managers will solve the challenges of their agency in their company through complete transparency, limit the capacities of the agent, and link its compensation structure to the welfare of the principal.

2.2.   Preventive Accounting Controls on Organizational Performance

In the research conducted by N'Guilla Sow et al., (2018) in Malaysia, the purpose was to identify how small companies can prevent fraud using preventive accounting controls for organizational performance in Malaysian Small businesses. The researcher used self-governors by distributing questionnaires as methodology for general management, finance managers and supervisors. The theoretical model was evaluated by using multiple regression and the results have shown highly transparent and integrated way of life of risk monitoring, anti-fraud methods and adequate monitoring features that fraud prevention measures are positive and significantly successful. Fraud allegations are damaging not only to big companies, but also to SMEs. Fraud is one cause for SMEs to struggle in strategic activities and that bring the whole organization out of business in serious circumstances.

In the research revealed by Eijdenberg et al., (2017), the purpose was to examine the effect of preventive accounting control on the efficiency of their small and medium-sized in an unstable environment, as concerning the performance and facts orientation of small business owners. A questionnaire was prepared and completed by 154 managers of small companies in the Burundi capital, Bujumbura, based on the key data from 29 expert conversations previous survey. Correlation tests, factor testing and regression analyzes were subsequently performed in order to test the hypotheses. Although the result indicates that those entrepreneurs who put the party into consideration to be dangerous are more productive than causal; on the other side, the tests indicate that the focus of effectiveness and causation does not affect small business production at a later level. Other determinants for the growth of small businesses should therefore be further explored in an unpredictable setting. The paper fills the decision-making research void concerning the development of small-scale enterprises among the thousand people in deep poverty. Based on Western studies, efficiency may have been very existing situational where a lot of insecurities regarding planned coincidences are dealt with and often positively linked to solid growth. This post, on the contrary, shows that neither an

impact direction nor a cause guidance influences the development of small company significantly in an area which can be presumed to be extremely uncertain.

2.3.   Government Regulations

In the research by Jia et al., (2018), the aim was to evaluate the role of the public sector ties between channel partners in channel performance and how institutional factors combine to influence channel performance. A survey questionnaire was used and data from 393 manufacturers in China was obtained. A theoretical framework was suggested to show that the relationship between government relations and institutional environments with corporate performance, and that it is dependent on institutional environments, indicating that the impact of partner government relations on company performance is mitigated by institutional environmental factors. The findings showed that government ties between partners improve the efficiency of the focal company and this impact is mediated by multiple court protection levels. Because with these various degrees of legal defense, the adverse effect of government intervention on corporate results is all moderated. This study offered insight into how government relations with the channel partners, who represent a crucial institutional capital, interact with structural indicators to affect the output of the channels.

Jeníček & Grofová (2015) in the developing countries, this impact is concentrated on the food issue and the fields selected where the actual situation is most challenging. It covers Burundi, which is one of the low-income countries with a food deficit and one of the lowest domestic gross revenue per capital in the world, defines the global food report, represented by a wide range of Social, demographic, cultural, technological and governmental order components of food manufacturing, delivery, transfer and usage. Malnutrition primarily has closely connected reasons through long civil wars, restricted access to the soil, environmental degradation, climatic shocks and rapid population growth as a consequence of high birth rates and refugee returns. The key source of income for most households are subsistence crops and

animal products. These subsectors are very low in performance and cause chronic food deficits. Therefore, agriculture is the key sector in mostly rural economies and development, diversification, higher productivity, and profitability remain a major space.

2.4. Research Gap

Most studies in the review of literature above have revealed the existence of little empirical evidence of preventive accounting controls and the organizational performance of SMEs. Further, the role of government regulations on the relationship between preventive accounting controls and organizational performance is not quite built. This study attempts to bridge this gap by establishing a framework that relates preventive accounting controls, government regulations and organizational performance of selected SMEs in Bujumbura City, Burundi.

3. METHODOLOGY

The study presents a methodological approach that was used in the research, this included; design of the study, study area, target population, sample size and sampling techniques, instruments for data collection, data collection procedures and lastly data analysis and presentation methods.

3.1. Research Design

The researcher used a descriptive research method to collect knowledge about the present state of a phenomenon relative to the historical conditions (Mugenda and Mugenda 2006). Descriptive research design was the most suitable design for this study because it seeks to collect quantitative and qualitative data to clarify accounting controls and the organization's performance characteristics within selected SMEs in Bujumbura City, Burundi. The descriptive design method for this review is recommended according to Mertler (2019), as this method enabled researchers to obtain quantitative data that was quantitatively examined through the inferential analysis. The researcher was in support of this design as it allows reliable information to be gathered thus demonstrating the characteristics of the accounting inspection and organizational performance of selected SMEs in Bujumbura City, Burundi.

3.2.   Area of the Study

The research was concentrated on preventive accounting controls and the operational performance among ten small and medium enterprises (SMEs) selected in Bujumbura City, Burundi from annual report, 2019.

3.3.   Population of the Study

The target study population is described as a whole series of units to use the survey data for assumptions; units to generalize the study finding (Mertler 2019). The target population was 1463 workers in the Bujumbura City, Burundi Small and Medium Enterprises (SMEs). The researcher used the Annual Report of Burundi Investment Promotion Authority, (2019) to determine the study population size.

3.4.   Sample Size and Sampling Techniques

Sampling is the method by which a desired research sample from a given study population is collected (Ustafa, 2010). The Yamane formulae (Yamane, 1967) as shown in equation 1 was used to select a representative sample size of 314 among the 1463 workers from the small and medium-sized enterprises (SMEs) in Bujumbura City, Burundi.

Equation 1: Formula for Determination of Sample Size (Yamane, 1967);

$$n = \frac{N}{1 + Ne^2}$$

Where:

n = Study sample size

N = Study population size

e^2 = Desired level of statistical significance (0.05)

Therefore;

$$n = \frac{N}{1 + Ne^2} = \frac{1463}{1 + 1463\,(0.05 * 0.05)} = 314.11701557 \approx 314$$

The population was divided into 10 strata (companies) of which each stratum (corporation) was believed to have workers with the same characteristics as they operate in the same environment. The researcher therefore used disproportionate stratified simple random sampling to ensure that a representative sample from each of the 10 SMEs was selected to ensure adequate representation of each of selected SMEs in the study.

3.5. Data Collection Instruments

This research used well-structured surveys to increase rapid data collection from respondents (Siekei et al., 2013). The Questionnaire is a data collection method that offers an effective and systematic approach in the preparation of data analysis for collection of responses from a broader sample (Gupta et al., 2011).

3.6. Data Collection Procedures

In order to provide accurate information, the questionnaire was distributed to the respondents with the help of four research assistants. Use of the survey questionnaire in the collection of data allowed researchers to collect sufficient information which is not partial, because the response was given in their opinion by respondents. The data collection questionnaire approach often allowed study respondents ample time to provide sufficiently accurate answers. This data collection method was therefore more effective as a broad representative sample could be collected by the researcher. A questionnaire was issued to the selected workers of Small and Medium Enterprises (SMEs) in Bujumbura City, Burundi, using the four Research Assistants.

3.7. Data Analysis and Presentation Methods

The method of data analysis systematically explains and analyzes the results, using mathematical or logical methods and gaining insight into how to deduce and make decisions (Shamoo and Resnik, 2003). The interpretation of data obtained from the field was based on descriptive and inferential statistics in this review. Pearson Correlation Coefficient (r) was adopted to measure the strength and direction of the relationship between preventive accounting controls and the organizational performance of selected SMEs in Bujumbura City, Burundi. This research based on a Linear Regression Analysis to examine the casual and effectual relationship between preventive accountability checks and organizational performance of selected small and medium-sized enterprises in Bujumbura City, Burundi (Malhotra et al., 2006). Simple linear regression was used to test the study hypothesis and determine how the adjustment of the dependent variable in each independent variable influences. Moderation analysis was done to assess the moderation effect of the government regulations on the relationship between preventive accounting controls and the organizational performance of selected SMEs in Bujumbura City, Burundi. Hierarchical Linear Regression technique was used to determine the moderation effect of government regulations on the relationship between preventive accounting controls and the organizational performance of

selected SMEs in Bujumbura City, Burundi. Moderation effect exists if the interaction effect is significant in the model (Malhotra *et al*, 2006). If the moderation effect was found to be significant, Interaction Plots was then used to describe how the moderator (government regulations) moderates the relationship between the preventive accounting controls and organizational performance of selected SMEs in Bujumbura City, Burundi. The findings of the study were presented in tables.

4.   RESULTS AND DISCUSSIONS

4.1.   Response Rate

The researcher randomly distributed 314 questionnaires to the study respondents who are part of the employees of the selected SMEs in Bujumbura City, Burundi. Out of the 314 selected participants, only 302 successfully filled and returned the questionnaires leading to a return rate of 96.17% which is above the recommended minimum threshold of 50% (Zikmund, 2010)

4.2.   Descriptive Statistics

The study sought to assess the distribution and pattern of the sample responses using frequencies, percentages, mean as measures of central tendency and standard deviation and standard error as measures of dispersion on the descriptive statistics of the organizational performance of the SMEs in Bujumbura, Burundi.

4.2.1.   Organizational Performance of Selected SMEs in Bujumbura City ,Burundi

The study sought to assess descriptive statistics for both secondary and primary data on organizational performance among the SMEs in Bujumbura, Burundi. The researcher asked the respondents to rate the performance of their organizations among the selected SMEs in Bujumbura City, Burundi.

The results were as shown in table 4.1.

Table 4.1: Descriptive Statistics for Organizational Performanceof the SelectedSMEs.
Strongly Disagree (SD) = 1, Disagree (D) = 2, Somehow Agree (SMA) = 3, Agree (A) = 4, and Strongly Agree (SA) = 4.

Statement	SD	D	SMA	A	SA	Mean	Std. dev
My company usually reduces abnormalities and improves performance in terms of profitability	13 2	19 6%	126 42%	97 32%	47 16%	3.483	.974
The Return on Investment of my company has been increasing over the years	16 5%	19 6%	79 26%	153 51%	35 12%	3.570	.961
The Return on Assets of my company has been increasing over the years	89 29%	19 6%	73 24%	49 16%	72 24%	2.987	1.538
Work organization is efficient	14 5%	91 30%	35 12%	60 20%	102 34%	3.480	1.346
Employees' salaries have increased in the years	13 4%	16 5%	105 35%	133 44%	35 12%	3.533	.921
Value added per employee is well above the company's production average	24 8%	25 8%	81 27%	127 42%	45 15%	3.477	1.093

Average level of Organization performance	Mean(%Mean)	Std. Dev.	Std. Error of mean	Minimum	Maximum
	3.422 (68%)	.644	.037	1.667	5.000

The findings of table 4.1 shows that on average, the overall level of organizational performance of selected SMEs in Bujumbura City, Burundi was at 68% (mean=3.422, std. dev. =0.644) rated moderate. This is an indication that majority of the selected SMEs in Bujumbura City, Burundi are performing fairly moderate. The study therefore assessed the factors influencing the SMEs in Bujumbura City ,Burundi not to perform highly.

4.2.2. Preventive Accounting Controls among the SelectedSMEs in Bujumbura City, Burundi

The research assessed the level of implementation of preventive accounting controls in the selected SMEs in Bujumbura City, Burundi, and if improving the level of controls would improve organizational performance.

The descriptive results were as indicated in table 4.2.

Table 4.2: Descriptive Statistics for Preventive Accounting Controls. *Strongly Disagree (SD) = 1, Disagree (D) = 2, Somehow Agree (SMA) = 3, Agree (A) = 4, and Strongly Agree (SA) = 4.*

Statement	SD	D	SMA	A	SA	Mean	Std. dev
Processes and control activities are perfectly organized.	113 37%	91 30%	35 12%	48 16%	15 5%	2.964	1.708
The management has adequate staff to properly segregate duties.	93 31%	35 12%	39 13%	86 28%	49 16%	2.877	1.508
Employees are trained on physical loss prevention measures.	19 6%	38 13%	121 40%	79 26%	45 15%	3.308	1.070
Theft and fraud happen because personnel's actions are done unintentionally.	17 6%	24 8%	52 17%	136 45%	73 24%	3.742	1.084
As a manager, I always ask my bookkeeper to prepare regular reports that clearly the information needed.	20 7%	19 6%	49 16%	154 51%	60 20%	3.712	1.063
There is an outside financial/accountant expert to help the organization setup the reporting	88 29%	41 14%	40 13%	85 28%	48 16%	2.881	1.487

Average level of Preventive Accounting Controls	Mean(%Mean)	Std. Dev.	Std. Error of mean	Minimum	Maximum
	3.247 (65%)	.919	.053	1.333	5.000

The descriptive findings of table 4.2 shows thaton average, the overall level of preventive accounting controls in the selected SMEs in Bujumbura City, Burundi was at 65% (mean=3.247, std. dev. =0.919) rated moderate. This is an indication that majority of the selected SMEs in Bujumbura City, Burundi are fairly moderate in effecting preventive accounting controls. Therefore, the study assessed if the lack of effective preventive accounting controls influences the organisational performance of the selected SMEs in Bujumbura City, Burundi using linear regression analysis.

4.2.3. Government Regulations among the Selected SMEs in Bujumbura City, Burundi

The respondents were asked to described the level of government regulations on their respective companies and the responses were as shown in figure 4.3.

Table 4.3: Descriptive Statistics for Government Regulations. *Strongly Disagree (SD) = 1, Disagree (D) = 2, Somehow Agree (SMA) = 3, Agree (A) = 4, and Strongly Agree (SA) = 4.*

Statement	SD	D	SMA	A	SA	Mean	Std. dev
Government regulations can facilitate the success of the company	11 4%	46 15%	33 11%	123 41%	89 29%	3.772	1.137
Government regulations have a huge effect on the efficiency, productivity and flexibility for my company.	41 14%	100 33%	70 23%	41 14%	50 17%	2.864	1.288
Good governance is necessary to achieve rapid economic growth and to protect my company.	57 19%	114 38%	43 14%	52 17%	36 12%	2.656	1.292
Small businesses are treated the same in Burundi as large businesses in terms of taxation.	13 4%	19 6%	97 32%	126 42%	47 16%	3.483	.974
The government's implementing competitive tax reforms and legislative inconsistency has enhanced the growth of the company	16 5%	19 6%	79 26%	153 51%	35 12%	3.570	.961
The government has introduced policy steps to boost and improve the tax contribution of the company.	89 29%	19 6%	73 24%	49 16%	72 24%	2.987	1.538

Average level implementation of Government Regulations	Mean(%Mean)	Std. Dev.	Std. Error of mean	Minimum	Maximum
	3.222 (64.4%)	.711	.041	1.333	5.000

The findings of table 4.3 indicate that on average, the overall level of satisfaction in the implementation of government regulations in SMEs was at 64.4% (mean=3.222, std. dev. =0.711) rated moderate. This is an indication that majority of the of selected SMEs in Bujumbura City, Burundi are fairly moderately satisfied with the government regulations imposed on them. Therefore, the study assessed how implementation of government regulations would affect the relationship between preventive accounting controls and the Organizational performance among the SMEs in Bujumbura City, Burundi.

4.3. Inferential Analysis

The study used simple linear analysis to assess the effect of preventive accounting controls on the organizational performance among the SMEs in Bujumbura City, Burundi. Hierarchical linear regression analysis was used to assess the moderation effect of government regulations

on the relationship between of preventive accounting controls and the organizational performance among the SMEs in Bujumbura City, Burundi. The findings were as shown in sub-sections 4.3.1 and 4.3.2 respectively.

4.3.1. Linear Regression of Preventive Controls on Organizational Performance of SMEs in Bujumbura City, Burundi.

The first objective of the research was to determine the effect of preventive accounting controls on the organizational performance of the SMEs in Bujumbura City, Burundi. To achieve the objective, the researcher sought to test for the following null hypothesis (H_{01});

H_{01}:*Preventive Accounting Controls has no significant influence on the Organizational Performance of SMEs in Bujumbura City, Burundi.*

The findings of hypothesis testing using simple linear regression were as shown in table 4.4below.

Table 4.4: Linear Regression of Preventive Accounting Controls on Organizational Performance of the SMEs in Bujumbura City, Burundi

Model Summary				
Model	r	r-square	Adjusted r-square	Std. Error of the Estimate
1	.553[a]	.306	.304	.53703

a. Predictors: (Constant), Prevention Accounting Controls
b. Dependent Variable: Organisational Performance

ANOVA[a]					
Model	Sum of Squares	df	Mean Square	F	p-value
1 Regression	38.126	1	38.126	132.199	.000[b]
Residual	86.519	300	.288		
Total	124.645	301			

a. a. Dependent Variable Organisational Performance
b. Predictors: (Constant), Prevention Accounting Controls

Coefficients[a]						
		Unstandardized Coefficients		Standardized Coefficients		
Model		β	Std. Error	Beta	t	p-value
(Constant)		2.165	.114		19.053	.000
Prevention Accounting Controls		.387	.034	.553	11.498	.000

a. Dependent Variable: Organisational Performance

The findings of table 4.4 show that ANOVA test results were significant, F (1, 300) = 132.199, P = 0.000< 0.05; These results show that the simple linear regression model was a

good fit in modeling the linear relationship between preventive accounting controls and the organizational performance of the SMEs in Bujumbura City, Burundi. The model (preventive accounting controls) was able to explain 30.4% of the variation in the organizational performance of the SMEs in Bujumbura City, Burundi as indicated by the adjusted r-square = 0.304 (see table 4.4). The regression Coefficient results were found to be significant as shown in table 4.17 above; β= 0.387, t = 11.498, p=0.000 <0.05; therefore, the research rejected the null hypothesis and conclude that preventive accounting controls had a statistically significant influence on the organizational performance of the SMEs in Bujumbura City, Burundi.Preventive accounting controls had a positive standardized beta coefficient = 0.553 (see the coefficients results of table 4.2); this indicates that a unit improvement in the preventive accounting controls was likely to improve organizational performance of the SMEs in Bujumbura City, Burundi by 55.3%.

The constant was found to be statistically significant; β=2.165, t = 19.053, p=0.000 <0.05 (see the coefficients results of table 4.4); this indicates that, besides the Preventive accounting controls in the model, there are other factors not captured in the model rather in the study, that influence the organizational performance of the SMEs in Bujumbura City, Burundi.
To predict the organizational performance of the SMEs in Bujumbura City, Burundi when given the level of preventive accounting controls, the study suggests the use of the following model;

Organizational Performance= 2.165 + 0.387 Preventive Accounting Controls

The study findings concur with the findings by Ojiagu & Nzewi (2019) where it was concluded that there is significant positive relationships between prevention of fire outbreaks and business visions of SME owners, theft assaults and order fulfillment times by SMEs in this region to clients. Company owners were recommended to ensure fire safety by providing the resources necessary for suppressors and personal training and compliance with fire disaster preparedness rules as procedures. In addition, business owners must have a variety of security layers (in profound defense) in business areas.

4.3.2. Moderation Analysis

To achieve the second objective, the study tested for the following null hypothesis;

H_{02}:*Government regulations do not have a significant moderating effect on the relationship between preventive accounting controls and Organisational performance among the SMEs in Bujumbura, Burundi.*

The findings were as shown in Model 1 of table 4.5.

Table 4.5: Moderation Effect of Government Regulations on the Relationship between Preventive Accounting Controls and Organizational Performance of SMEs.

Model	r	r-square	Adjusted r-Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	p-value. F Change
						Change Statistics			
1	.553[a]	.306	.304	.53703	.306	132.199	1	300	0.000
2	.693[b]	.480	.477	.46540	.175	100.454	1	299	0.000

a. Predictors: (Constant), Preventive Control
b. Predictors: (Constant), Preventive Control, Interaction term (I_{PAC})

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	p-value
1	Regression	38.126	1	38.126	132.199	.000[b]
	Residual	86.519	300	.288		
	Total	124.645	301			
2	Regression	59.884	2	29.942	138.240	.000[c]
	Residual	64.762	299	.217		
	Total	124.645	301			

a. Dependent Variable: Organizational Performance
b. Predictors: (Constant), Preventive Control
c. Predictors: (Constant), Preventive Control, Interaction term (I_{PAC})

Coefficients[a]

Model	ß	Std. Error	Beta	t	p-value
	Unstandardized Coefficients		**Standardized Coefficients**		
1 (Constant)	2.165	0.114		19.053	0.000
Preventive Control	0.387	0.034	0.553	11.498	0.000
2 (Constant)	2.837	0.119		23.812	0.000
Preventive Control	-0.279	0.073	-0.398	-3.840	0.000
Interaction term (I_{PAC})	0.137	0.014	1.039	10.023	0.000

a. Dependent Variable: Organizational Performance

The findings of Table 4.5. shows that the F-Change statistic in model 2 was found to be insignificant, *F-change = 1.080, p-value = 0.300>0.05*. The interaction effect between Preventive Accounting Controls and Government Regulations (I_{PAC}) as shown in coefficient results of model 2 in Table 4.5 was found to be significant, ß = 0.137, t =10.023, p-value =0.000 <0.05. Therefore, the study rejected the null hypothesis (**H_{02}**) and conclude that government regulations had a significant moderation effect on the relationship between preventive accounting controls and the organisational performance among the SMEs in

Bujumbura City, Burundi. To predict organisational performance among the SMEs in Bujumbura City, Burundi, given effectiveness of preventive accounting controls at different levels of government regulations, the following model would be used;

$$Y = 2.837 - 0.279X_1 + 0.137I_{PAC}$$

Where;

Y = Organisational performance among the SMEsin Bujumbura, Burundi

X_1 = Preventive Accounting Controls

I_{PAC} = Interaction between preventive controls and government regulations

The study findings relate with the results found in the study of (Jia et al., 2018), where the findings showed that government regulations between partners improve the efficiency of the focal company and this impact is moderated by different levels of legal protection. Because with these various degrees of legal defense, the adverse effect of government intervention on corporate results is all moderated. This study offered insight into how government relations with the channel partners, who represent a crucial institutional capital, interact with structural indicators to affect the output of the channels.

5.   CONCLUSION

The study concluded that there is a strong positive relationship between preventive accounting controls and the Organizational Performance of the SMEs in Bujumbura, Burundi. Besides the Preventive accounting controls, the study revealed that there are other factors not captured in the study, that influence the organizational performance of the SMEs in Bujumbura, Burundi. The study also revealed that government regulations had a significant moderation effect on the relationship between preventive accounting controls and Organizational Performance of the SMEs in Bujumbura, Burundi.

6.   RECOMMENDATIONS

This research examined the influence of preventive accounting checks on the organizational performance of selected SMEs in Bujumbura City. This research suggests that small and medium-sized enterprises should check their organizational performance by carrying out preventive controls to ensure that organizational goals are accomplished. This research suggests also that SMEs should establish occasion and transaction monitoring measures to ensure organizational performance.

Since this study was limited on only ten selected SMEs operating in the City of Bujumbura, future researchers should examine the effect of preventive accounting controls on small and medium sized companies' organizational performance in other provinces or cities. The research also suggests that according to the study, future researchers should explore the influence of other variables on the organizational performance of small and medium-sized enterprises.

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