

# Finance And Accounting Practices With Special Reference To Stipend Management: An Empirical Study

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**Abstract-** Finance and accounting practices play a vital role in ensuring transparency, accountability, and effective utilization of financial resources within organizations. Among various financial activities, stipend management is a critical function in institutions that provide training, internships, or apprenticeship programs. This study examines the effectiveness of finance and accounting practices in stipend administration, focusing on areas such as calculation accuracy, payment timeliness, internal controls, budgeting, financial reporting, and reconciliation procedures. A descriptive research design was adopted, and primary data were collected through a structured questionnaire administered to 102 respondents involved in finance and administrative activities. Secondary data were obtained from financial records, reports, journals, and related documents. Statistical tools including Chi-Square, Correlation, Regression, One-Way ANOVA, and Mann-Whitney U Test were used for analysis. The findings reveal that although finance and accounting practices provide a structured framework for stipend administration, respondents exhibit mixed perceptions regarding their effectiveness. Correlation results indicate a significant positive relationship between accounting practices and stipend management effectiveness, while regression analysis demonstrates limited predictive influence. The study concludes that financial systems alone are insufficient to ensure efficient stipend administration and recommends greater automation, stronger internal controls, enhanced coordination, and improved reporting mechanisms. Future research may explore technological and organizational factors affecting stipend management effectiveness.

## I. INTRODUCTION

Finance and accounting systems are fundamental components of organizational management, supporting planning, control, reporting, and decision-making processes. Effective financial management ensures the proper allocation of resources and promotes operational efficiency. In institutions that provide training and skill development programs, stipend administration represents an important

financial responsibility because it directly affects trainee welfare and organizational credibility.

Stipend management involves several interconnected activities, including calculation, approval, disbursement, record maintenance, budgeting, reconciliation, and reporting. The effectiveness of these activities depends largely on the quality of finance and accounting practices implemented within the organization. Inaccuracies, delays, or weak controls can negatively affect operational efficiency and stakeholder satisfaction.

Recent developments in accounting technology, automation, and financial governance have increased the importance of integrated financial systems. However, many institutions continue to face challenges in maintaining transparency, accuracy, and efficiency in stipend-related financial activities. Therefore, this study investigates finance and accounting practices with special reference to stipend management and evaluates their contribution to organizational effectiveness.

## II. OBJECTIVES OF THE STUDY

### Primary Objective

To evaluate finance and accounting practices with special reference to stipend management and assess their effectiveness in supporting financial governance and administrative efficiency.

### Secondary Objectives

1. To examine the existing finance and accounting practices used in stipend management.
2. To analyze the procedures involved in stipend calculation and disbursement.
3. To evaluate the effectiveness of internal controls related to stipend administration.
4. To identify challenges associated with financial management of stipend payments.

5. To provide recommendations for improving finance and accounting efficiency.

### III. HYPOTHESIS

#### Null Hypothesis (H<sub>0</sub>)

There is no significant relationship between finance and accounting practices and the effectiveness of stipend management.

#### Alternative Hypothesis (H<sub>1</sub>)

There is a significant relationship between finance and accounting practices and the effectiveness of stipend management.

### IV. RESEARCH METHODOLOGY

#### Research Design

The study adopts a descriptive research design to examine existing finance and accounting practices related to stipend administration.

#### Data Collection

#### Primary Data

Primary data were collected using a structured questionnaire distributed among employees involved in finance, accounting, and administrative activities.

#### Secondary Data

Secondary data were obtained from:

- Financial records
- Accounting reports
- Academic journals
- Published research articles
- Organizational documents

#### Sampling Technique

Convenience sampling was employed to select respondents directly involved in financial and accounting operations.

#### Sample Size

A total of 102 valid responses were collected and analyzed.

- Statistical Tools Used

- Chi-Square Test
- Correlation Analysis
- Regression Analysis
- One-Way ANOVA
- Mann–Whitney U Test

### V. DATA ANALYSIS AND INTERPRETATION

The analysis indicates mixed perceptions regarding the effectiveness of stipend-related financial practices.

#### Accuracy of Stipend Calculation

Approximately 41% of respondents agreed that stipend calculations were accurate, while a similar percentage expressed disagreement. This suggests the need for enhanced verification mechanisms.

#### Timeliness of Stipend Disbursement

Responses revealed inconsistency in payment processing, indicating opportunities for improving workflow efficiency and monitoring systems.

#### Internal Controls

A moderate level of confidence was observed regarding internal control mechanisms. Respondents acknowledged the existence of controls but suggested further strengthening through audits and compliance monitoring.

#### Budget Allocation

Many respondents expressed concerns regarding budget planning and monitoring, highlighting the need for improved forecasting and resource allocation.

#### Financial Reporting Transparency

Financial reporting received comparatively positive responses, indicating satisfactory levels of transparency and accountability.

#### Correlation Analysis

The correlation coefficient ( $r = 0.612$ ,  $p < 0.05$ ) indicates a statistically significant positive relationship between finance and accounting practices and stipend management effectiveness.

#### Regression Analysis

The regression model demonstrated limited explanatory power ( $R^2 = 0.067$ ), suggesting that additional organizational and technological factors influence stipend administration outcomes.

## VI. CONCLUSION

The study examined the influence of finance and accounting practices on stipend management effectiveness. The findings indicate that while accounting accuracy, reporting transparency, budgeting, and internal controls contribute positively to stipend administration, their overall impact remains moderate. Statistical analysis revealed a significant relationship between finance and accounting practices and stipend management effectiveness; however, the explanatory power of these variables was relatively low.

The study concludes that effective stipend management requires a broader organizational approach that combines financial discipline with technological support, operational coordination, and administrative efficiency. Strengthening these areas can enhance transparency, reduce errors, and improve stakeholder satisfaction.

## VII. FUTURE WORK

Future studies may focus on:

1. The impact of automation and digital accounting systems on stipend management.
2. The role of artificial intelligence in financial monitoring and reporting.
3. Comparative studies across different training and educational institutions.
4. The relationship between trainee satisfaction and stipend administration efficiency.
5. Integration of enterprise resource planning (ERP) systems in stipend management processes.
6. Longitudinal studies examining financial performance over extended periods.
7. The effect of organizational culture and communication on financial administration effectiveness.

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