

Anatomy of Automated Accounting Systems: Evidence from Small and Medium Enterprises (SMEs)

Ariel D. Pineda, CPA, PhD., PD-SML

<http://orcid.org./:0000-0001-6748-2348>

ariel.pineda@pcu.edu.ph

Philippine Christian University

Malate, Manila, Philippines

Abstract

Today, Accounting has made an impact towards the business paradigm to be able to show a significant position of businesses in the community they are in. For every business, it is important to keep its records updated and monitored by the organization. Accounting has evolved into something more than numbers with processes that range from simple to complex. It is no longer necessary to spend numerous hours entering data into an Excel spreadsheet because of the automated accounting systems. Accounting operations have been entirely reinvented for the digital age using machine learning and artificial intelligence. If tired of time-consuming manual accounting that is slowing down a business, switching to automated accounting is one of the options available for an easy recording structure. In the Philippines, many businesses have been using the automated accounting system. Due to an insistent demand to evaluate the automated accounting system, this study was conducted. The objective of this study is to analyze the impact of accounting system use in small and medium-sized enterprises as perceived by rank-and-file, supervisory, and managerial staff. It also discusses the challenges that respondents had when using accounting system and makes recommendations to improve its use. The study also shows whether there are any disparities in assessment between the groups of respondents. The survey was conducted through the distribution of the survey questionnaire using Google Forms to the respondent employees who were able to assess the use of accounting software based on efficiency, ease of use, accuracy, reliability and data quality. Among the concerns identified by the respondents about the usage of accounting software is the need to simplify the complex user interface and ensure that the program is aligned with the company's business operations. This could also be the practice of harmonizing software usage within firms. Respondents strongly believed that these issues needed to be solved if the firms were to see consistency with the accounting systems.

Keywords: Automated Accounting System, Automation, Recording Structure of SMEs