



## A STUDY ON DIGITALIZATION IN ACCOUNTING

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### **Abstract:**

*As we all know that people are moving towards the digital world. The accounting field is also moving to digitize the world. Digitalization accounting means recording all the data with the help of accounting software. Here I aimed at knowing some details like students' view, digitalization in accounting with the help of primary and secondary data. Getting some findings like knowledge amongst respondents is good but not conclusive. Can recommend that universities can adopt digital mode of teaching for accounts. This will help a lot to grow faster in digital accounting.*

**Key words:** *Digitalization, Accounting, Students, etc.*

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### **Introduction:**

Digitalization is the process of turning physical data into digital data. Scanning a report would be an excellent example in this sense.

Accounting is the process of recording financial transactions pertaining to a business. The accounting process includes summarizing, analyzing, and reporting these transactions to oversight agencies, regulators, and tax collection entities. The financial statements used in accounting are a concise summary of financial transactions over an accounting period, summarizing a company's operations, financial position, and cash flows.

Digital accounting refers to creating, transferring, managing, and storing financial information in an electronic format. It involves the use of software solutions to digitize and automate many of the manual processes accountants deal with on a regular basis.

### **Advantage:**

**Accounts payable/receivable:** instead of having paper invoices lying around waiting for approval, accountants can automate invoice processing with an invoice management system.

**Procurement:** from quote requests, purchase orders, contracts, to shipment receipts, procurement involves a lot of paperwork. All these documents can be digitized, saving both time and costs.

**Audit documentation:** a digital audit process is much more secure and accurate. Accountants can rely on digital files and audit trails to document and prove compliance.

**Expense management:** submitting, reviewing, and approving expenses manually is time-consuming and inefficient. An expense management tool automates the process and improves the experience for all parties involved.

**Monthly/quarterly close process:** retrieving the data needed for the monthly/quarterly close is much faster and more accurate when relying on digital accounting tools.

**Client contracts/agreements:** besides internal processes, accounting firms can also digitize the signing and managing of client agreements. It's more convenient for everyone involved.

**Difference between**

Manual Accounting	Computerized accounting
1. Meaning 1. Manual accounting means recording all the data in Physical form.	Computerized Accounting means recording all the data with the help of accounting software.
2. Aspect Manual Accounting required Paperwork, man power with a Sharp mind.	Computerized Accounting does not required paperwork, manpower
3. Preferable in 2000's As we are transforming to digital from physical manual accounting is less Preferable.	As we are transforming to digital computerized accounting is more preferable
4. Availability of data Manual Accounting takes time to provide data.	Computerized accounting does not take much time to provide data.
5. Security & secrecy Manual Accounting does not maintain Security & secrecy for data.	Computerized Accounting maintains security & secrecy of data.
6. Chances of errors In manual Accounting chances of errors are high.	In Computerized accounting chances of errors are less.

**Literature review:**

**Digitalization of Accounting and Tax processes- challenges and opportunities for Accountants and Tax Administrators.** Nikolina Decman, Sanja Sever malis, Ivana mamic Sacer. 30-40, 2019. In these reports they said that IT affects all businesses . Digitalization in Accounting Implies a change in Keeping document's records, where they don't have to maintain records in traditional ways, but they can maintain records digitally. The aim of the research was to analyze current state & trends in the digitization of financial reporting and taxation.

**Objective of study:**

1. To know the current scenario of digitalization in the field of accounting.
2. To collect views of accounting students on how they take digitalization in accounting.
3. To know the difference between manual and computerized methods of accounting.

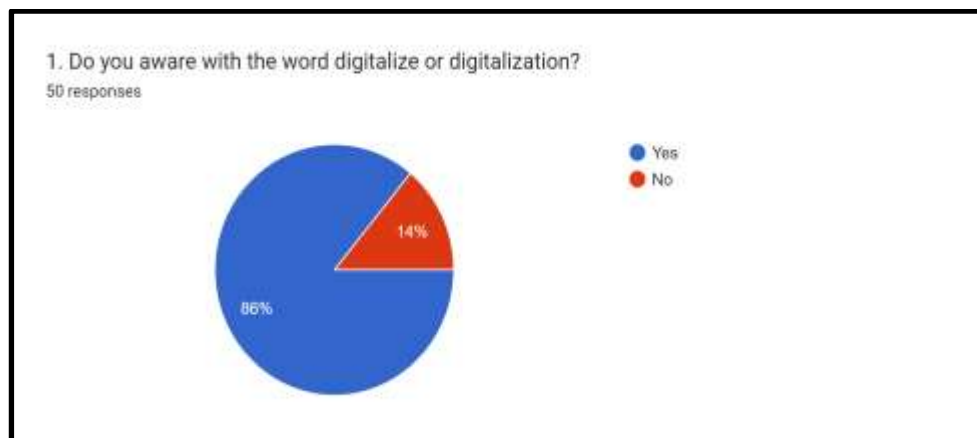
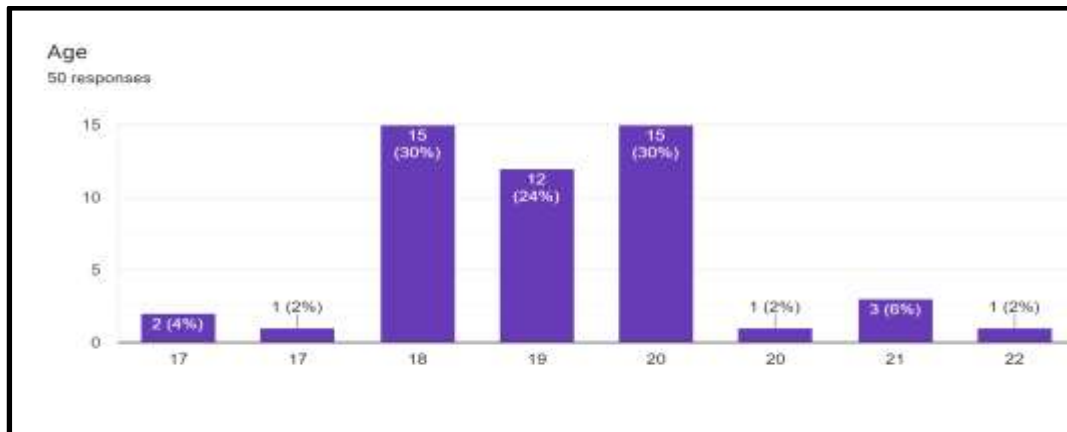
**Research methodology:**

This research paper is based on both data that is primary and secondary.  
The Primary data is collected through the Google form.

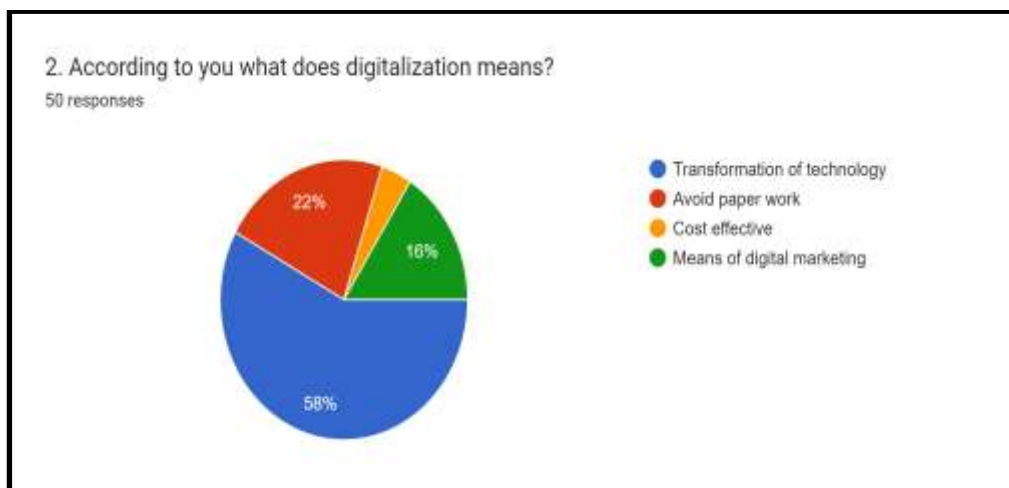


The secondary data is collected through articles, Journals, and websites.

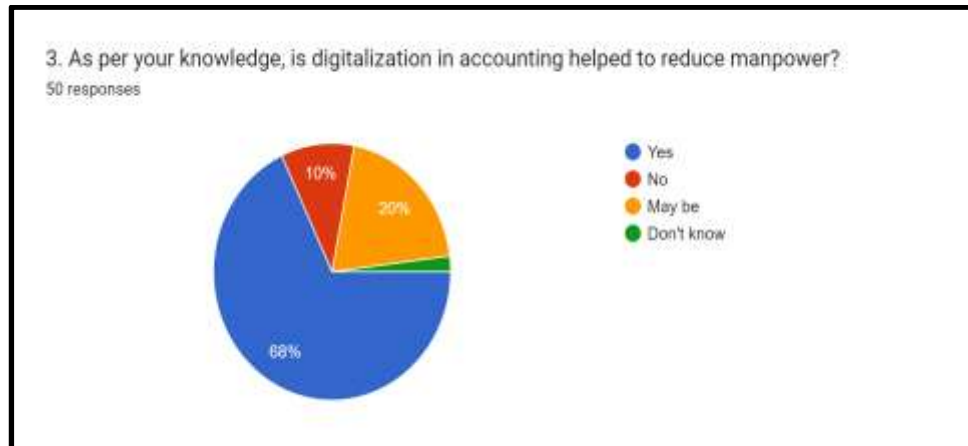
### Data analysis and interpretation:



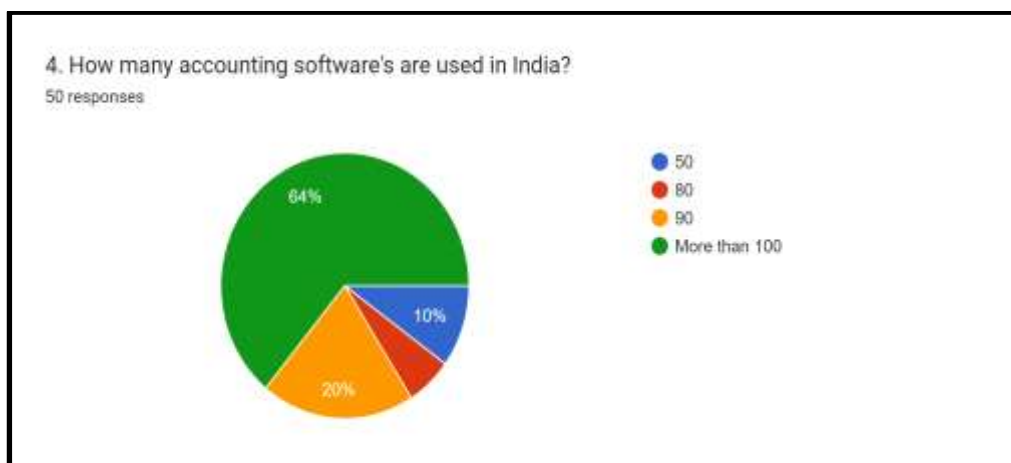
From the above diagram we can say that 86% people are about the word digitalize or digitalization.



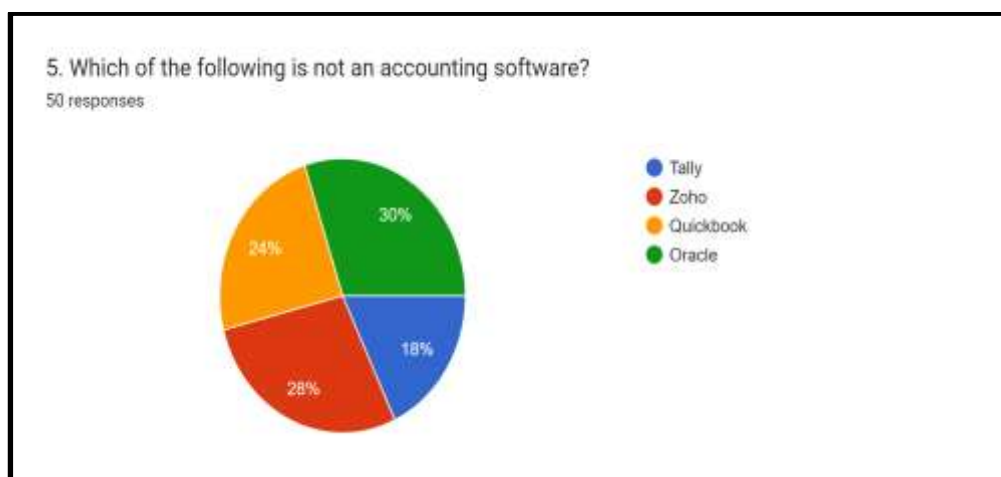
From the above diagram we can say that 58% people know that what digitalization means.



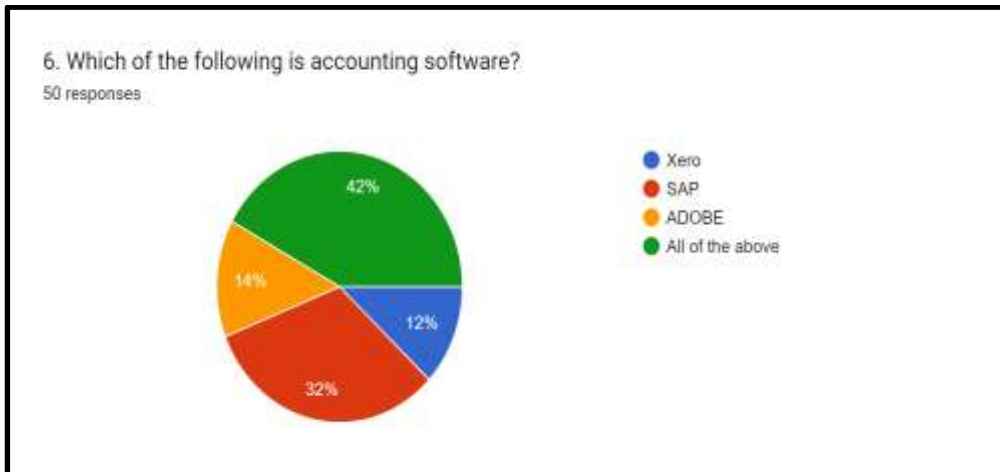
From the above diagram we can say that 68% people agreed that digitalization in accounting helped to reduce manpower.



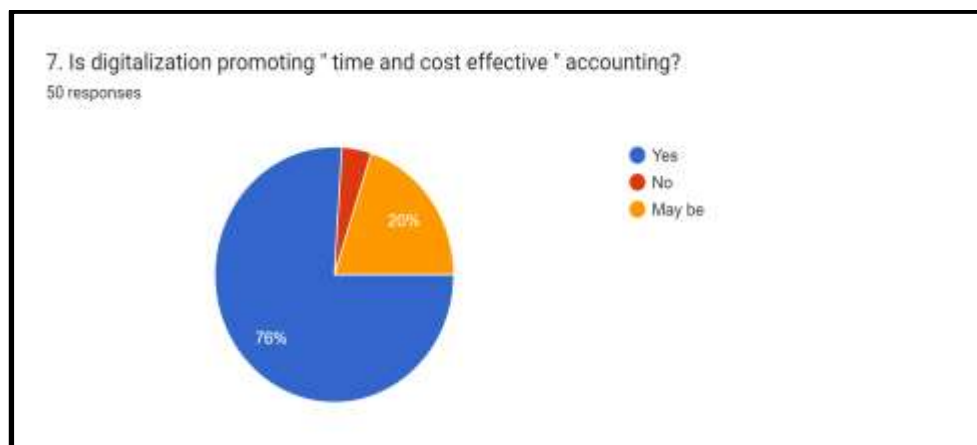
From the above diagram we can say that 64% people are that more than 100 accounting software's are used in India.



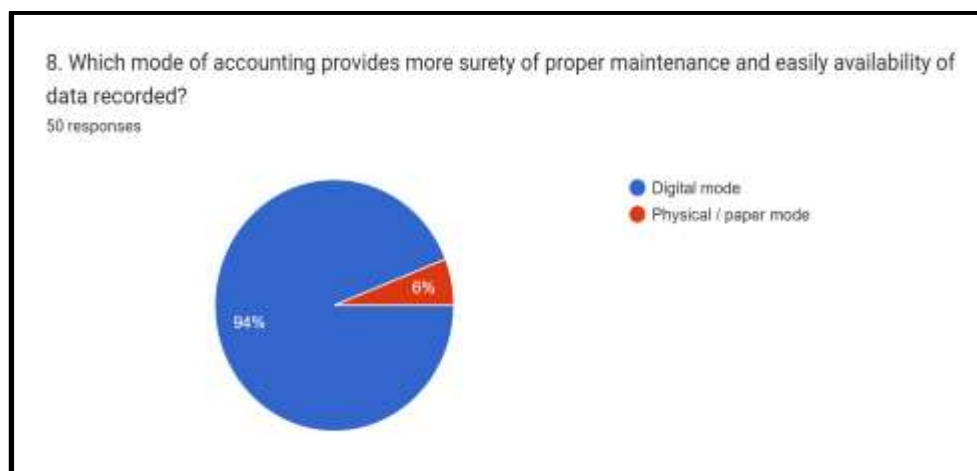
From the above diagram we can say that 30% people are not aware about accounting software.



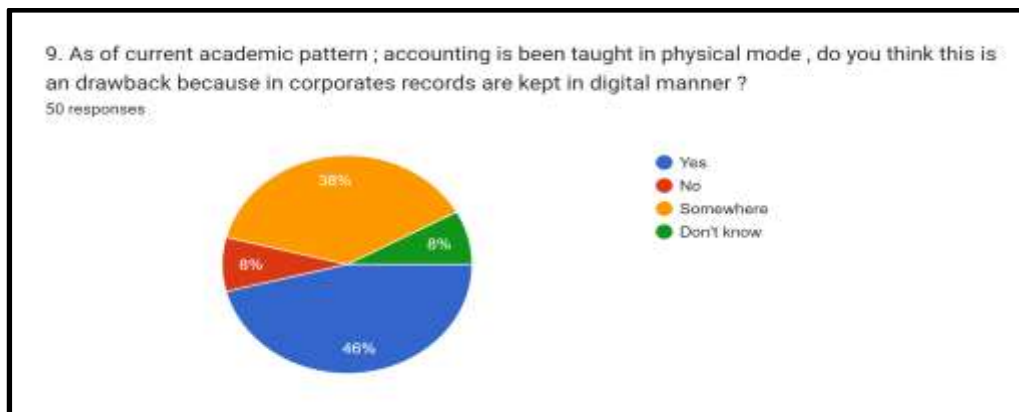
From the above diagram we can say that 42% people said that all the adoption we given is accounting software.



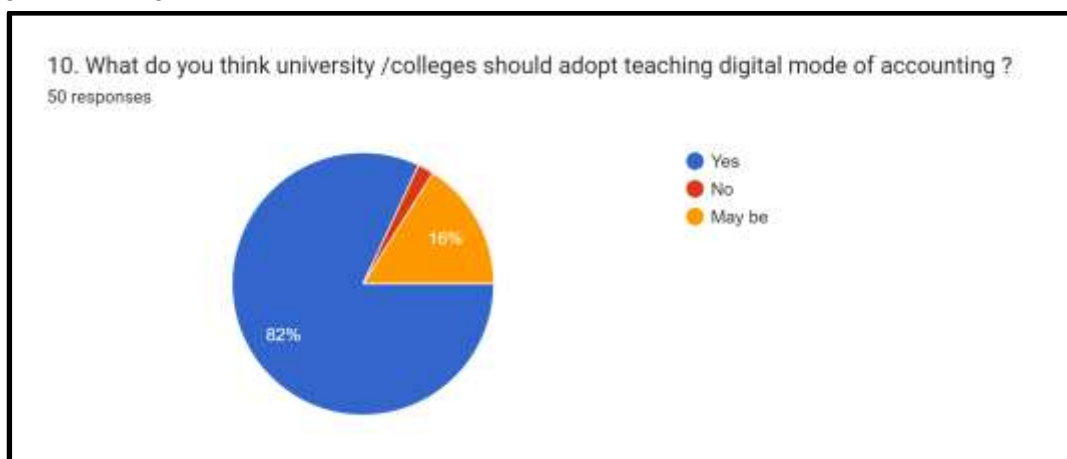
From the above diagram we can say that 76% people agreed that digitalization in accounting is time and cost effective.



From the above diagram we can say that 94% people agreed that digital mode of accounting provides more surety of documents and easily availability of data recorded.



From the above diagram we can say that 46% people agreed that current academic pattern adopt digital mode of accounting for teaching.



From the above diagram we can say that 82% people said that university/colleges should adopt digital mode of accounting.

**Findings:**

1. It is quite common to Know that people are very well aware with the teams of digitalisation and also they have different Views in the means of digitalization.
2. As there's more than 100 accounting softwares are in use So ultimately it helps to reduce manpower.
3. It wasn't Conclusive to Say but yeah majority respondents are aware of the accounting Software.
4. For sure digitalisation promoting time & cost effective accounting along with this it ensure reliability & durability of the entire data / entries made / recorded
5. Learning in different modes & implementing in another is quite difficult. So it Can be either one instead of physical it Should be in digital when it comes to mode of teaching.

**Recommendation/ suggestions:**

1. There's much need for spreading more awareness of accounting softwares or tools.



2. Few days programmes or exhibitions of accounting softwares can be arranged.
3. As of our contribution for this, it's strong and huge call to take that university or Government can start teaching accounting by using softwares.

**Conclusion:**

With this research paper I can conclude that digitalization in accounting is on a good note and people are very well aware with the terms relating to the same but taking an eye view on the future it needs some booster to grow faster. It can be given in different ways like regular seminars, free courses, or inclusion of digital mode of teaching accounting in academic curriculum. We also conclude that with this research our aims and objectives were clarified with some additional information.

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