

A Survey on Accounting Software

R. Ajith Kannan*

UG Student
Department of CSE
Sri Krishna College of Technology
ajay25kools@gmail.com

Dr. A.Balamurugan

Head of the Department
Department of CSE
Sri Krishna College of Technology
a.balamurugan@skct.edu.in

Abstract—The need for survey in accounting software is solution to cash flow problems. Many surveys nowadays, conduct and validate their solutions using empirical research. The survey is an empirical method which enables researcher scholars to collect data from a large population. The main aim of this survey is to generalize the findings. Accounting software helps to make this process easier by ensuring that all of your business's financial details are in one place. It describes a type of application software that records and processes accounting transactions within functional modules such as accounts payable, accounts receivable, journal, general ledger, payroll and trail balance. It unicorns as an accounting information system. Accounting software should address, meet or exceed all the aspects you like about your current system, it is vital to hang on to the things that are already working well.

Keywords—Accounting Software, Cloud Accounting, Online Accounting, Small Business Accounting, Accounting Technology.

I. INTRODUCTION

Accounting software is the solution to cash flow problems. It would be surprised if anyone could find a successful business that did not use accounting software. It's what keeps an eye on our money, helps us get ready for taxes, and keeps us to that budget set at the beginning of the year. To help us make better decisions about our next accounting software purchase, Capterra surveyed over 500 businesses about their accounting software solution. Accounting software research report explains what we found. Accounting definitely does not have a reputation as the most exciting business function, but that doesn't diminish its importance. Accounting is the process that keeps the world going, both in business and in our everyday lives. That's why it is imperative users have access to all the accounting software features they need to get the job done.

Key Takeaways

- 61% of users have a locally installed accounting software package, vs. a cloud-based option.
- 52% of users saw a decrease in financial errors by adopting accounting software.
- 19% of users bought software without doing any demos.
- Only 5% of respondents said they were dissatisfied or very dissatisfied with their accounting software.
- Core accounting features matter more than non-essential tools.
- Buyers want centralization of data and processes.
- Buyers want their systems to be smarter and more automated.

II. CORE ACCOUNTING FEATURES MATTER MORE THAN NON-ESSENTIAL TOOLS

In the survey, far more buyers agreed on core accounting as a key feature than the rest. This includes accounting features like General Ledger (GL), Accounts Payable (AP), Accounts Receivable (AR), and etc. With core accounting identified by 94 percent of respondents and budgeting identified by 60, there is over a 30 percent drop in buyer agreeance. This would suggest that buyers care a lot about core features than the bells and whistles many vendors are offering. Since most of the respondents came from companies of 100-249 employees, you may be wondering if that's where the strong preference for core features comes from. It is easy to assume that smaller businesses are skewing the results, opting only for core features to save resources. But that's not at all the case. I looked at the data again without the results from buyers in this group and found 97 percent of remaining buyers identified core features of accounting software and only 59 percent identified budgeting. Focusing on buyers from larger companies actually widened the discrepancy, showing this isn't a company size-based preference.

III. INSTALLED OR IN THE CLOUD

The companies are taking their accounting software with them and the move to the cloud is real. 61% of respondents still use local accounting package, but 39% are now out in aether. There was no meaningful revenue split up between businesses with web-based accounting and those with locally installed packages. Businesses are just coming around to the value of an accounting system that can be interacted with all times, from anywhere. By putting our information in the cloud, we increase the ease of collaboration, we put our users in touch with it even if they're on the road (hello, travel receipts), and it gives us built-in protection from local data failures and other catastrophes.

IV. BUYERS WANT THEIR SYSTEMS TO BE SMARTER AND MORE AUTOMATED

One major conclusion is that, from the data, buyers are looking for more analytical support. I saw this when over half of all respondents reported forecasting as a accounting feature they'd like to see in their next system. Additionally, 49% identified reporting as a key feature with another eight% divulging that their current system lacked the level of automation needed. With access to forecasts and automation, accountants can go from simply maintaining the ledger to influence major financial decisions. Accounting will become more strategic role, as software plays a larger part in the field. In fact, many of the buyers are leaders in their finance department. Buyers are not looking for software to completely replace their teams. What they're looking to do is make the most of an employees time and the company's resources. While it is important to invest in your daily functions, we also need to think about business development. Accounting software is the way that businesses will be able to fund strategic development.

V. THE BENEFITS OF ACCOUNTING SOFTWARE

It is easy to assume that the accounting software is a requirement, but it is less clear as to why it is so important. About 54 percent of users saw a decrease in financial errors by adopting accounting software. Companies are also saving time on entering data and paying employees. Apart from just protecting your business from mistakes and IRS audits, it can actually help our business grow. Having more cash when we need it and being able to plan for rich and poor spells can really give a business the boost it needs to move to the next level.

VI. CHOOSING AND INSTALLING SOFTWARE

Companies knew what they wanted, going into the accounting software purchasing process. Only 23% of businesses did more than two demos, with a full 19 percent doing zero demos. On top of low demo count, only 39% of respondents took more than three months to find a software they were looking for. It may be a strict comparison of features – we will see how important functionality is momentarily – makes it easy to find the right software, or companies may be working with accountants that have great personal preferences.

VII. SATISFICATION WITH ACCOUNTING SOFTWARE

It seems like accounting software companies have done well keeping business happy. Only 5 percent of respondents said that they were not satisfied or very not satisfied with their accounting products. On an average, people were satisfied with the programs they used.

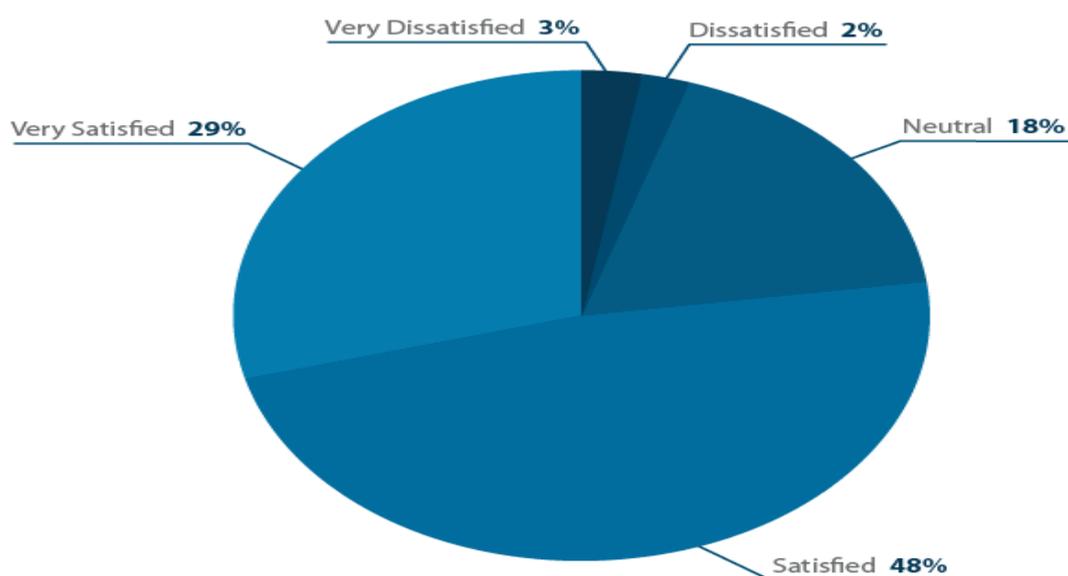


Fig 1: Statistics about the satisfication of accounting softeware

Satisfaction was largely not affected by the size of business, whether the software was in cloud or in house, the length of ownership, or even the number of demos done before purchasing. Few dissatisfied respondents were – 1) surprise, 2) unhappy primarily with the features of their software packages rather than cost, 3) 43% said they were missing features. Small chunk was unhappy with the support received and a few folks thought that the software was too hard to use.

VIII. CONCLUSION

Incredibly high satisfaction score seen across the entire spectrum is probably due to one of two factors. First, it could be the expectations of accounting software are low. Business may be happy just to have all of their information in one place, and generally to know what is happening to their entire finances. The flipside of the coin is where everyone is happy because the software out there is generally awesome. Just looking at some of the bigger packages, it is hard to think of things they cannot do. Either way, users are largely happy with the products they were using. The future, accounting

software is likely to be headed into cloud. Most of the surveys that we have run here at Capterra have shown more businesses moving their software off-premises. Accounting software is one of the few standouts, still has a large chunk of users working on local installations. Some of the software is going to be down to trust, some of it is likely the difficulty of finding services that have the right mix of security features, and some software is just going to come down to familiarity. As more Millennials enter accounting world, I expect things in cloud to really light up. With such high satisfaction results, it actually feels like there is some room for a shakeup in accounting software. We have reached complacency, which many see as opportunity. I would not be surprised to see some new names start to shoot up in popularity over the next few years.

REFERENCES

- [1] Ahmad Nauman, Ghazi, Kai Petersen, Sri Sai Vijay Raj Reddy and Harini Nekkanti, "Survey research in software engineering: Problems and Mitigation strategies": IEEE Access. 2018.2881041.
- [2] T. Besker, A. Martini, and J. Bosch, "Time to Pay Up - Technical Debt from a Software Quality Perspective," in Accepted at the 20th Ibero-American Conference on Software Engineering, CibSE, 2017.
- [3] G.Gousios, M.-A.Storey, and A.Bacchelli. Work practices and challenges in pull-based development: the contributor's perspective. In Proceedings of the 38th International Conference on Software Engineering, pages 285–296. ACM, 2016.
- [4] EriksKlotins, "Using the Case Survey Method to Explore Engineering Practices in Software Start-ups", 2017 IEEE/ACM 1st International Workshop on Software Engineering for Startups (SoftStart).
- [5] N. A. Ernst, S. Bellomo, I. Ozkaya, R. L. Nord, and I. Gorton, "Measure it? Manage it? Ignore it? software practitioners and technical debt," presented at the Proceedings of the 2015 10th Joint Meeting on Foundations of Software Engineering, Bergamo, Italy, 2015.
- [6] D. Falessi, M. A. Shaw, F. Shull, K. Mullen, and M. S. Keymind, "Practical considerations, challenges, and requirements of tool support for managing technical debt," in Managing Technical Debt (MTD), 2013 4th International Workshop, 2013, pp. 16-19.
- [7] G. Gousios, A. Zaidman, M.-A. Storey, and A. Van Deursen. Work practices and challenges in pull-based development: the integrator's perspective. In Proceedings of the 37th International Conference on Software Engineering - Volume 1, pages 358–368. IEEE Press, 2015.
- [8] E. Daka and G. Fraser. A survey on unit testing practices and problems. In 2014 IEEE 25th International Symposium on Software Reliability Engineering, pages 201–211. IEEE, 2014.

AUTHOR'S PROFILE

Ajith Kannan R., pursuing B.E. degree in Computer Science and Engineering from the department of Computer Science in Sri Krishna College of Technology.

sDr. A. Balamurugan, working as the Head of Department in Sri Krishna College of Technology. The Principal Investigator has specialization in Wireless Sensor Networks (WSNs) and Internet of Things (IoT). The Coordinator for establishing "Wireless Communication Laboratory" under MODROB Scheme sponsored by AICTE, New Delhi. By considering expertise, was sponsored by various funding agencies like DST, DRDO, AICTE, CSIR, ISRO, ICSSR, MOES, TNSCST and CSI to organize Workshops, Conference and Seminars. The research works have been cited by many authors. Published 14 papers in Journals and 22 papers in conferences. Has organized and chaired various workshops, seminars and FDPs.
