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## Abstract

This paper aims to highlight the significance of the use of accounting software in the modern corporate world. Technological innovation has transformed traditional business practices into a digital integrated loop of business activities if we look upon our surroundings. The accounting software has a strong association with the latest technology because it is comprehensively based upon the innovation that ensures error-free implementation of an organization's accounting process. Multiple types of accounting software are used by businesses varying according to the business sizes such as QuickBooks accounting software can perform complex tasks along with some basic tasks such as pay bills, employee wages, payrolls, and other business payments. The software is composed of different features that are used to implement different calculations, such as different kinds of tax and the payments that are to be paid by the business. The top organizations are more focused on the provision of high-quality goods and services to their customers rather than focusing on complex matters such as the accounting process. Although the benefits of using accounting software have outweighed its cons, experts still must operate the software because a single mistake during data entry can affect the report generation process and the software might generate a false report. Also, the installation cost is not affordable for small-scale enterprises.

*Keywords:* Accounting software, organization, QuickBooks software, technology

## Accounting Software in the Modern Business World

Accounting software is a term that refers to the software-based platform that takes care of all the essential accounting operations. This software's primary aim is to provide people with ease and convenience to carry out the processes in an efficient and error-free manner. In today's competitive world, it has been observed that organizations are more focused on the provision of high quality goods and services to their customers (Deshmukh & Romine, 2002). This is possible when all the organization's internal processes are being carried out impressively to ensure that the whole organizational process remains productive. The accounting software and the vast technology have a firm interconnectedness as the software is based upon the latest technology that ensures that the accounting process of an organization is implemented in an error-free manner. This has enabled the company's top management to think creatively and focus on other important matters rather than focusing on the accounting department's issues. An accounting information system is also a kind of system based on the latest technology and most commonly used in the top organization to effectively implement accounting operations.

### Creation of the Accounting Software

An accounting information system is an important aspect of the overall business, especially in the cost accounting department. There will be some sub-sections to this system. Inventory is an important part of the business because mishandling can cost the business higher. An inventory management system is required to document every aspect of the inventory. Recording, maintaining and disbursing can be considered important functions of an inventory management system. Other than the computers and other systems, human resource training is also very important for the system to run effectively. The employees will have to be trained for all aspects of the system. The

organization needs to install all the features of the system so that employees can be trained for once.

It is a kind of framework that is to organize financial data in such a way that any stakeholder can use it within the organization. The primary aim of applying this system is to collect, preserve, and manage a business's financial data so it can be further utilized by the other relevant persons responsible for monitoring the company's economic operations. This system is an automated one, due to which it is considered more efficient compared to the conventional accounting methods. This method is used to track all the important activities regarding the business and its finance. However, there is a trade-off in such systems that they require a high amount of efficiency from the staff to handle with accuracy. The staff must be equipped with the desired skills to use such systems to obtain productive outcomes from them. Having an accounting information system will provide the company with great benefits and most of the processes will be performed with great productivity and effectiveness. The system retrieves the information from the internal and external sources where the employees provide the internal information and the external information is obtained from the customers. There is numerous software that organizations can use to carry out accounting operations effectively and smoothly. This renowned software includes QuickBooks accounting, FreshBooks cloud accounting, Xero accounting, Stage 50 accounting, and Wave accounting. Renowned firms use all this software and are the core reason behind their accounting operations' success. This paper will allow the readers to explore the basic protocols of the important platform that can be used in the accounting departments of different companies. Moreover, the paper will also exhibit the significance of the accounting software and how much product it can prove to be for an organization.

Selected Software

The software that is selected to carry out the research is the QuickBooks accounting software that is renowned as one of the best accounting software. The other software that will be discussed in this regard is the Xero accounting software that is also known as a pretty efficient option to be used by organizations.

### History and Overview

Scott Cook and Tom Proulx developed the QuickBooks accounting software in the year 1983. This software is used in both small and large organizations and is known for its efficacious performance. Considering the importance of the accounting processes, it is evident that these processes are quite complex and require a high amount of efficiency to get executed impressively. This software can perform highly complex tasks along with some basic tasks such as pay bills, employee wages, payrolls, and other business payments. QuickBooks has many versions that can be used in different countries and due to this, the software does not have any compatibility issue in most countries (Schiff & Szendi, 2014). All of its versions are commonly used in different countries, making this software more reliable and credible, and many new clients are attracted to using this software. In some countries, the latest versions of the software are used, which can perform unique tax calculations for almost every region of the country. Moreover, its efficacy has also attracted the Irish and South African organizations towards installing this software due to which it is getting popular day by day. The best thing regarding the software is that it can even be used by individuals who are non-professional accountants, or they do not possess the required skill set in this regard. The publisher of this software claims that no special skill is required to utilize this software. It provides its users with an understandable interface. It is easier for them to use this software without any specific training or skill. However, there are some disparities in the software due to which sometimes it becomes hard for the stakeholder to trust the efficacy of the software

and are reluctant towards adopting it. The users also lack some basic understanding regarding the usage of the software due to which it becomes tough for them to utilize it efficiently. Some approaches can be used in this regard to eradicating this issue. The users should be made aware of the complexities of the software and must know the basic protocols of using one. This will enable them to ensure that the organization's whole processes are being carried out impressively and the company is enhancing its products efficiently and quickly. The software is composed of different features that are used to implement different calculations, such as different kinds of tax and the payments that are to be paid by the business. In the modern world, it has been observed that the companies are more focused on improving their processes to improve their reputation in the overall business sector and for this, they are looking to adopt innovative and creative strategies to excel in the market. The use of accounting software has a firm association with implementing the latest technology and providing the management of the organizations to think out of the box and be clear regarding the importance and implementation of the operations. The accounting software based on the latest technology will also allow the organizations to reduce the workforce due to which a lot of costs that were being in terms of the wages will also be saved. The saved resources can be further used in any other operations to improve the overall organization's operational efficiency. QuickBooks has achieved major success over the past few years due to its efficient performance and one of the core reasons behind its success is the provision of a user-friendly interface to its customers. In return, this has provided the people with great ease and convenience and are more vigilant towards using this software compared to the other ones. Initially, the software did not support the windows and Mac versions but soon the new versions were introduced to the market, which was compatible with both the windows and Mac. The software has dominated the competitive market due to its easy interface and has expanded its operation within 85% of the

small organizations within the United States. The software was not observed to effective in the early stages but it got improved with time. The manufacturers had worked on improving the efficiency of the software due to the framework was improved. Many professional accountants had objected to this software's use as they thought that the results obtained from the software are not error-free and the process cannot be considered a perfect one. After the technicians' hard work, the desired objectives were achieved as the functionality of the software was modified according to the demands and needs of companies in the modern world.

Like the QuickBooks software, another software has been achieving success of amazing heights over the past few years. Xero accounting is a New Zealand based company and it is used in both small and medium-sized organizations. The company has expanded its operations and the main offices are located in three different countries. The three major countries of the operations are New Zealand, Australia, and the United Kingdom. The company has impressed the whole world and now it is operating in more than 180 countries which depicts the fact that how much success the company has been achieving since its early days. Rod Drury founded xero in the year 2006, and its main office is still located in New Zealand even though it has submitted its mark in different countries of the world (Redpath & Gourdie, 2017). The software is composed of numerous fascinating features such as automatic bank feeds, payable number of accounts, purchase orders, and the standard reports regarding the business and operations. The company sometimes also merges with other companies to ensure that the whole process is being carried out efficiently and the company's productivity is getting increased. The software's latest features have also proved to be quite beneficial in this regard as they have provided the company to achieve the desired sales rate and revenue generation. The new prominent features of the software are the introduction of Digital taxation in the United Kingdom, the single touch payroll framework in Australia, and the

payday filling system in New Zealand. All these processes are following the latest technology which provides the users with an opportunity to experience an interesting and convenient interface while using the software. However, unlike QuickBooks, the software cannot be used the persons who are not equipped with the desired skill set. This software has a high level of complexity due to which an inexperienced individual can't effectively execute its operations. But still, it can be said that the software has revolutionized accounting operations all over the world and now things are being managed more efficiently as they used to be in the former times.

### Impact on Today's World

The world nowadays is moving towards artificially intelligent and automated systems to carry out operations in a convenient manner. The accounting software is interconnected with the latest technology due to which has been used by numerous top organizations. Specifically, the QuickBooks software is used by most of the top organizations as it is considered as best accounting software among all the other ones. Like the QuickBooks software, the Xero accounting software is also used by many top organizations. Further details are explained below.

### Firms Using the Software

The firms that are using the QuickBooks software are the CA technologies, EisnerAmper LLP, and the Tax & Business Matters, LLC. These organizations are operating in different modes as the services provided by them are different from each other. The CA technologies deals in web, application, and software development. LLP provides its customers with accounting, bookkeeping, and auditing services, whereas the LLC deals in Tax preparation services. All these processes are complex and require high efficiency to get executed. Many companies and most large



organizations also use xero accounting. The top organizations that are using the Xero accounting software are the 74bit, AGLILISYS, Avanti, basic 365 accounting, and bill.com.

### Significance in Today's world

In former times, the business sector was not much expanded as it is nowadays. This expansion has increased the competition in the overall business sector. The processes have become more complex and require more efficiency to be handled appropriately. That is why the demand for accounting software has increased nowadays as compare to the past. The top organizations are more focused on the provision of high-quality goods and services to their customers rather than focusing on complex matters such as the accounting process. The use of this software will provide the management of the organizations to focus more on other matters rather than focusing on accounting operations. The software will deal with all the necessary aspects of the accounting operations. The processes will be executed in a more suitable, feasible, and convenient manner compared to the conventional measures. Moreover, the software's cost-saving and time-saving features have also attracted the top organizations towards using it because they want to spend the resources to enhance the productivity of the whole organizational operations. So, it can be said that the demand for accounting software has increased in this era as compared to the past.

### Pros & Cons of Accounting Software

In today' world of advancements, there is a need for innovation in almost every field of life. Like the other fields, the business sector is also demanding some innovative tactics from the companies to sustain in today's competitive world. The companies are also focusing on providing each other with tough competition in the market and this can only be achieved if the companies

are using creative techniques in their operational strategies. The accounting process is one of the most important operations of an organization as all the important calculations regarding the payment are being made in this department (Abu-Musa, 2004). The process is quite a complex and hectic one and it requires a high amount of efficiency from the users. The introduction of accounting software has provided organizations with great ease and convenience in this regard as now they do not have to worry much about the accounting process. The installation of this software can prove to be quite beneficial as it will help make the process reliable and error-free. Moreover, the manual accounting process is quite a time-consuming process but the automated system is faster and more efficient as compared to the conventional methods.

### Major Functions

To evaluate the pros of the accounting software first there is a need for comprehending the basic functionalities of the software. The following are the major functions that are performed by the accounting software.

#### Invoice Management

The software regulates the invoicing and billing process as handles the invoice production and sends necessary reminders to the customers.

#### Payroll Management

The software provides the companies with an opportunity to handle all the necessary financial activities in terms of the payroll of the organization. These major activities include deductions, incentives, income tax, overtime payments, and generating wage slips. All these processes can prove to be quite hectic if they are performed manually. That is why it is of high

importance that the companies must use an automated system to ensure that all the accounting operations are handled with great efficacy to avoid any disparities in the future.

### Report Generation

The proper documentation of the activities plays a significant role in keeping an appropriate track record of the operations. The automated software provides the users with the luxury of generating automated reports and there is not much possibility of mistakes and errors. The software can generate different kinds of reports and the most prominent ones in this regard are the income statements, balance sheets, and the organization's cash flow. All these reports are then used to estimate the organizations' financial position and can be further utilized to design the strategies to carry out the processes in an efficient manner.

### Bookkeeping

Another important function of the software is bookkeeping. This is utilized to deal with the issues that are relevant to the sales and purchase ledgers. Moreover, the software also performs the function of reconciliation with the general ledger.

### Advantages of Using Accounting Software

There are numerous benefits of using accounting software. The most renowned advantage of using these kinds of systems is that they are fast as compared to the conventional methods due to which they are considered as more reliable by the organizations whenever there is a need for complex and excessive computing. The generation of impressive and thoroughly exclusive reports is also one of the system's major highlights as it can generate reports of the highest quality and that too in a double-quick time compared to the manual measures. The reduction in errors has always been one of the best features of the software and this in return has proved to help develop trust among the users. As previously discussed, these processes are hectic and time taking so, the proper

usage of this software would play a key role in reducing the time and cost of the accounting process. These platforms also provide efficient data security. The highly sensitive data of the company gets secured and the company becomes able to avoid the economic disparities and inconveniences in the future.

### Disadvantages of Using Accounting Software

Along with the provision of many benefits, the software also brings some negatives too. As previously discussed that the data is secured in these platforms but that does not happen in every case. The data can be lost as a result of an attack by a virus or malware or it even gets hacked by hackers. Experts must operate the software because a single mistake during data entry can affect the report generation process and the software might generate a false report. Data manipulation is also one of the negative aspects of the software but it can be eradicated with the help of adequate measures that can prove to help make the data secure. The software saves a lot of cost for the organization but still, its installation can prove to be very costly. The purchasing cost, transportation, and installation cost are the major expenses that have to be tolerated by the organizations. Moreover, the training and development program that is used to make the employees aware of the proper usage of the software is also a costly process. The software also requires maintenance after a short period that can also be considered as one of the drawbacks of using the accounting software.

### Conclusion

Accounting software is a term that refers to the software-based platform that takes care of all the essential accounting operations. The primary aim of this software is to provide people with ease and convenience to carry out the processes in an efficient and error-free manner. In today's competitive world, it has been observed that organizations are more focused on the provision of

hg quality goods and services to their customers. This is possible when all the organization's internal processes are being carried out impressively to ensure that the whole organizational process remains productive. The accounting software and the vast technology have a firm interconnectedness as the software is based upon the latest technology that ensures that the accounting process of an organization is implemented in an error-free manner. There are numerous benefits of using accounting software. The most renowned advantage of using these kinds of systems is that they are fast compared to the conventional methods. They are considered kore reliable by the organizations whenever there is a need for complex and excessive computing. Moreover, the time and cost-saving features of the software are considered the best among all the features. Some of the disadvantages of the software include the installation cost, maintenance, and the requirement of high efficiency from the users. The processes have become more complex and require more efficiency to handled appropriately. That is why the demand for accounting software has increased nowadays as compare to the past. The top organizations are more focused on the provision of high-quality goods and services to their customers rather than focusing on complex matters such as the accounting process. The use of this software will provide the management of the organizations to focus more on other matters rather than focusing on accounting operations. So, accounting software is required more nowadays as compared to the former times.

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