

ELECTRONIC ACCOUNTING: AN IMPERATIVE TOOL FOR QUALITY ASSURANCE IN ACCOUNTING EDUCATION PROGRAMME IN THE DIGITAL ERA

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Abstract

This study investigated the uses and benefits of electronic accounting skills to Accounting Education students. A structured questionnaire was administered to 66 Accounting officers comprising of 30 Accountants in the private organizations and 36 Accountants in the public organizations in Abakaliki Urban of Ebonyi State. Out of the number of questionnaire administered, only 60 copies were retrieved. Two research questions were answered using mean and standard deviation and two hypotheses were tested using the t. test. All the items in the questionnaire were agreed by the respondents to be the uses and benefits of electronic accounting to accounting education students. The researcher then recommended that electronic accounting packages should be included in the curriculum of all the universities offering accounting education programme.

Introduction

Accounting is the process of recording, classifying, summarizing, analyzing and interpreting financial transactions and communicating the results thereof to interested users (Chukwu, 2004). Accounting Education is an option offered under business education department of Universities and Colleges of Education. Accounting Education equips the recipients with saleable skills that prepare them for dual jobs. Graduates of the programme can either teach accounting subjects or serve as accounting officers in various public and private parastatals.

The technological change in the storage and retrieval of accounting information in organizations has affected the demands from accounting education graduates which involves adequate knowledge of the skills in storage and provision of information to the interested users in a paperless office. In line with the quest to achieve a paperless office, many private and public organizations have been automated. Moreover, the level of competition faced by these organizations has made some companies to look for technology that will reduce costs and overhead for them hence the introduction of paperless accounting.

Gulkist in Moorthy, Seetharaman, Gopalan and San (2010) defined paperless accounting as accounting where transactions, accounting entries and data are received, transferred and stored electronically. The use of electronic accounting by performing paperless system help to reduce the material, time and financial cost incurred by an organization. Electronic accounting according to Yukcu and Gomen (2012) involves the documentation, tracking,

recording, archiving and summarizing of transactions and events associated with a business entity as well as presenting related summary information to business entity's interest groups in an electronic environment.

Tarakolian in Amidu, Effa and Abbur (2011) observed that prior to the advent of personal computers; businesses were limited to manual methods for keeping track of financial data. The manual accounting system consisted of paper ledgers, typewriter and calculators. He further stated that the invoices and cheques were typed using the typewriters while the calculations were performed using the calculators. With the use of this method, errors can easily be introduced into the data without being detected. To reduce the incidence of poor recording of transactions electronic accounting was introduced.

Electronic accounting involves performing regular accounting functions, accounting research and accounting training and education through various computer/internet based accounting tools such as digital tool kits, various internet resources, international web based materials etc. (Memis.2011). It was observed by Gulkvist in Morthy et al. (2010) that there has been resistance towards electronic accounting by accountants and auditors. They feel comfortable using the traditional system; they are forced to learn new technology. The reason behind this attitude can be attributed to the quality of training received by the accountants and auditors. In the curriculum of most universities offering accounting education and even accountancy major, the programme is structured in a way that the graduates are trained to prepare manual accounting records. It is disheartening that with the current trend in information communication technology, many institutions offering accounting education is yet to integrate these computerized accounting system into their curriculum.

Some employers of labour in private and public companies that the products of these institutions are expected to serve have adopted electronic accounting. They expect that their accountants can work effectively having acquired experiences on the use of the following softwares: peachtree accounting, quick books, Dac easy or window, MS Money (financial management software); Eagle tracks for inventory management; MYOB Accounting, Sages accounting software; Budgetmatic software for budgeting and budgetary control; Sun system software, tally accounting; fund manager and web based accounting (Adejola, 2012).

Despite the revolution of ICT on our daily lives, schools are very slow in adapting to the great resources. The accounting education programme of most universities fail to include the knowledge of modern accounting packages like micro soft excel, micro soft access, sage accounting and peach tree accounting (Azih, 2010). This creates a gap on the quality of knowledge accounting education graduates receive and the demands from the labour market. The introduction of electronic accounting into the accounting education programme is pertinent because of the uses and the benefits enjoyed by the users of the accounting system.

Statement of the Problem

The introduction of electronic accounting by most private and public organizations in the recording, interpreting, analyzing and storage of financial data poses a great challenge to the

graduates of accounting education. A look at the accounting education curriculum for some universities like Nnamdi Azikiwe University, Awka; Ebonyi State University, Abakaliki and University of Nigeria, Nsukka, one observes that electronic accounting packages are not included in their programme. The curriculum content is structured in a way that the recipients are trained to prepare traditional accounting transactions. Accounting related ICT courses like peach tree, tally accounting, quick book accounting etc. are not included in the programme of the universities offering accounting education programme.

The current trend in information technology stresses on the need for an organization to maintain paperless office hence in respect to the accounting officer, he is expected to record, store and retrieve accurate data using paper less accounting. This can only be achieved with the introduction of electronic accounting in the accounting education programme of the universities and other tertiary institutions offering the programme. The software to be introduced will prepare the recipients effectively on how to be proficient in technology based accounting systems.

The non introduction of e-accounting in some universities and other tertiary institutions could be as a result of not having much awareness of the uses and benefits of computer technology in accounting. The researcher therefore ascertained the uses and benefits of electronic accounting for quality assurance in accounting education programme.

Purpose of Study

The main purpose of the study was to ascertain the uses and benefits of electronic accounting to accounting education graduates. Specifically, the study sought to:

- ☐ Determine the uses of electronic accounting by accounting education graduates in organizations.
- ☐ Ascertain the benefits of using electronic accounting by accounting education graduates in organizations.

Research Questions

- ☐ What are the uses of electronic accounting by accounting education graduates in organizations?
- ☐ What are the benefits of electronic accounting to accounting education graduates in organizations?

Hypothesis

- ☐ There is no significant difference on the response of accountants from private and public companies on the uses of electronic accounting by accounting education graduates in organizations.
- ☐ The responses of private and public company accountants will not differ significantly on the benefits of using electronic accounting to accounting education graduates in organizations.

Methods

Two research questions and two hypotheses guided the study. The instrument used for data collection was a 26 item questionnaire. The instrument was validated by experts in business education. The reliability of the instrument was tested using Cronbach Alpha and a reliability index of 0.67 was got. The instrument was distributed to the accounting officers of private and public sectors in Abakaliki Urban of Ebonyi State. Sixty copies of the Questionnaire were retrieved out of 66 copies distributed. The statistical tool used for answering the research questions were mean with standard deviation while the t-test was used to test the hypothesis at 0.05 level of significance. The questionnaire items with a mean

rating of 2.5 and above was accepted but any mean score that is equal to or less than 2.49 was rejected.

Results

What are the uses of electronic accounting in organizations by accounting education graduates?

The Data collected for the use of electronic accounting are presented below in table 1:

Table 1: Mean scores of the response of accountants on the uses of electronic accounting in organizations by accounting education graduates.

S/No	Uses Of Electronic Accounting	X	SD	Remark
1.	Preparation of accounts payable	3.47	.566	Agree
2.	Calculation of amounts for accounts receivable	3.25	.437	Agree
3.	Preparation of payroll	3.35	.480	gree
4.	Costing of jobs to be performed	3.32	.596	Agree
5.	Preparation of financial accounts and reports	3.43	.563	Agree
6.	Writing up of bank reconciliation statements	3.42	.561	Agree
7.	Reporting of quarterly tax records	3.37	.486	Agree
8.	Reporting of areas of compliance in records keeping	3.07	.548	Agree
9.	Used for consultation of internal financial transactions	3.15	.515	Agree
10.	Computation of tax return	3.22	.524	Agree
11.	Provision of information on the financial state of the Organization	3.40	.588	Agree
12.	Provides pertinent information need in the organization	3.30	.672	Agree
13.	Establishes contact with bankers and government agencies	3.28	.666	Agree
14.	Used in the future planning and growth of business			

The result of the table revealed that all the items in the questionnaire are accepted to be the uses of electronic accounting. They scored a mean point above 2.5 which is the cutoff point.

This indicates that all the items are accepted as uses of electronic accounting in organizations.

Research question 2:

What are the benefits of electronic accounting to graduates of accounting education working in organizations?

The responses of the respondents on the benefits of electronic accounting are presented in table 11 as follows:

Table 2: Mean ratings on the benefits of electronic accounting

S/No	Uses Of Electronic Accounting	X	SD	Remark
1.	Timely information management	3.52	.504	Agree
2.	Large storage capacity	3.40	.494	Agree
3.	Reduction of volume of work and improved productivity	3.16	.557	Agree
4.	Saves the cost of paper storage	3.02	.701	Agree
5.	Does not experience software default or failure	2.98	.854	Agree
6.	Electronically integrate a set of firms	3.22	.691	Agree
7.	Availability of continuous service	3.30	.591	Agree
8.	Errors are highly reduced	3.13	.700	Agree
9.	Better management of cash as a result of efficient payments and collection systems.	3.35	.606	Agree
10.	Improved audit trails and security	3.37	.581	Agree
11.	Processing of large quantity of date	3.43	.533	Agree
12.	Provision of immediate update of information for the consumption of customers, investors, creditors etc.	3.52	.504	Agree
Grand			3.28	

The result in Table 2 shows that all the items in the questionnaire were accepted as the benefits of electronic accounting. All the items scored above the cut off mark of 2.5

showing that they agreed to all the items listed as the benefits of electronic accounting.

Hypotheses

Ho₁: There is no significant difference on the response of accountants from private and public companies on the uses of electronic accounting.

Table 3: T-Test analysis of the responses of accountants in public and private enterprises on the benefits of electronic accounting.

S/N	Type of org.	No	X	SD	DF	Tcal	Tcrit	Decision
1	Public	30	3.57	.67				
	Private	30	3.37	.49	58	.174	1.96	Accept
2.	Public	30	3.27	.45				
	Private	30	3.23	.43	58	.770	1.96	Accept
3.	Public	30	3.43	.50				
	Private	30	3.26	.44	58	.182	1.96	Accept
4.	Public	30	3.43	.63				
	Private	30	3.20	.55	58	.131	1.96	Accept
5.	Public	30	3.43	.57				
	Private	30	3.43	.57	58	1.00	1.96	Accept
6.	Public	30	3.53	.63				
	Private	30	3.30	.47	58	.108	1.96	Accept
7.	Public	30	3.30	.47				
	Private	30	3.43	.50	58	.292	1.96	Accept
8.	Public	30	3.23	.50				
	Private	30	2.90	.55	58	.017	1.96	Accept
9.	Public	30	3.37	.55				
	Private	30	2.93	.37	58	.001	1.96	Accept
10.	Public	30	3.40	.50				
	Private	30	3.03	.49	58	.006	1.96	Accept
11.	Public	30	3.33	.66				
	Private	30	3.47	.51	58	.384	1.96	Accept
12.	Public	30	3.53	.51				
	Private	30	3.07	.74	58	.006	1.96	Accept
13.	Public	30	3.50	.51				
	Private	30	3.06	.74	58	.011	1.96	Accept
14.	Public	30	3.63	.56				
	Private	30	3.40	.56	58	.112	1.96	Accept

The results of the t-test analysis in table 3 shows that the calculated t values for all the items were less than the critical value of 1.96 at 0.05 level of significance and 58 degree of freedom. The null hypothesis stating that there will be no significant difference on the response of accountants from private and public companies on the uses of electronic accounting is now accepted.

Hypotheses

Ho : The responses of private and public company accountants will not differ significantly on the benefits of using electronic accounting.

S/N	Type of org.	No	X	SD	DF	Tcal	Tcrit	Decision
1	Public	30	3.43	.50				
	Private	30	3.60	.49	58	.203	1.96	Accept
2.	Public	30	3.36	.49				
	Private	30	3.43	.50	58	.605	1.96	Accept
3.	Public	30	3.37	.49				
	Private	30	2.97	.56	58	.005	1.96	Accept
4.	Public	30	3.43	.50				
	Private	30	2.60	.62	58	.000	1.96	Accept
5.	Public	30	3.50	.50				
	Private	30	2.47	.81	58	.000	1.96	Accept
6.	Public	30	3.43	.57				
	Private	30	3.00	.74	58	.014	1.96	Accept
7.	Public	30	3.47	.51				
	Private	30	3.13	.63	58	.028	1.96	Accept
8.	Public	30	3.30	.47				
	Private	30	2.97	.85	58	.065	1.96	Accept
9.	Public	30	3.47	.51				
	Private	30	3.23	.68	58	.137	1.96	Accept
10.	Public	30	3.40	.62				
	Private	30	3.33	.55	58	.661	1.96	Accept
11.	Public	30	3.57	.50				
	Private	30	3.30	.53	58	.052	1.96	Accept
12.	Public	30	3.60	.50				
	Private	30	3.42	.50	58	.203	1.96	Accept

The t-test analysis in table 4 shows that the calculated t values for all the items were less than the critical value of 1.96 at 0.05 level of significance and 58 degree of freedom. The null hypothesis stating that the responses of private and public company accountants will not differ significantly on the benefits of using electronic accounting is accepted.

Discussions

The result of the study carried out showed that all the items were accepted by the respondents as the uses of electronic accounting. The test of hypothesis equally showed no significant difference on the views of accountants in private and public organizations on the uses and benefits of using electronic accounting in organizations.

This is in line with the view of Adejola (2012) who identified the uses of electronic accounting as acquire financial data; processing, storage, planning and forecasting; coordination and cost control; and dissemination of vocal, textual, pictorial and numerical information for decision making. Leigh (2007) observed that accounting software has made accounting much easier to deal with by saving all the information one enter into the system and distributing the data amongst all proper locations.

The respondents also accepted all the items listed as the benefits of electronic accounting. Yuku and Gomen (2012) stated that the electronic accounting system adds very important possibilities to the traditional system and the role and contribution of electronic accounting for producing accurate, fast systematic accounting information is extremely high. Morthy et al. (2010) also observed that by performing paperless system, a company would improve the management of the cost which could be financial, time or material costs. This is because the introduction of electronic accounting has led to speedy, timely and efficient processing of information in both the private and public organizations. Deshunch in Memre (2011) also identified the following as the benefits of e-accounting: faster cycle time, broader geographical reach, continuous service availability, reduced error rates, reduced accounting staff and improved productivity, better cash management, cost saving and improved audit trails and security.

Pincus in Morthy (2010) observed that replacing accounting paper records with computer records has many advantages and they include: easier access to accounting information and improved quality of accounting information. In his own contribution, Adejola (2012) noted the following as the benefits of e-accounting in an organization as get quicker information of financial position of organization by just processing/touching button, ascertain with accuracy revenue generated in an organization; provide detailed expenditure information, budget and forecast; reduce clerical and administrative overheads; project monitoring and variance analysis; prevent fraud, eliminate drudgery in financial planning and audit trial and alarm.

The test of hypothesis for the two research questions showed no significant difference on the responses of Accounting Officers in private and public organizations on the uses and benefits of electronic accounting. This confirms the view of Moorthy et al. (2010) that many organizations are attempting to improve their effectiveness nowadays. Particularly, companies are eager to maintain uninterrupted growth and overcome the challenges to compete in the marketplace by developing information technology on their business system.

Conclusion

Quality assurance is vital in any programme organized in a university and other tertiary institutions. Electronic accounting is a panacea for qualitative education to be achieved by Accounting education graduates. The necessary accounting packages must be

included in the accounting education programme of our higher institutions of learning so that the recipients will be relevant in computerized recording of transactions when gainfully employed.

Recommendations

Based on the findings of the study, the following recommendations were made: Universities and tertiary institutions offering accounting education must ensure that accounting packages that will inculcate the needed e-learning technology to their students must be incorporated in their programme of studies.

All the necessary infrastructural facilities like computer, printers, scanner and other computer facilities must be provided in the computer laboratory to facilitate effective teaching and learning.

Retraining programme should be organized for accounting education lecturers to update their knowledge on the use of various softwares used in electronic accounting.

Workshops, seminars and symposium should be organized periodically for accounting educators to keep them abreast of the technological trends in accounting education.

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