Role of Cloud Computing in Modernizing the Accounting Methods

A.L. Abdul Rauf[1] and G.S.L. Mausudeen[2]

*[1]Department of Accountancy and Finance,
Faculty of Management and Commerce, South Eastern University of Sri Lanka.
[2]Postgraduate Unit, Faculty of Management and Commerce,
South Eastern University of Sri Lanka*

alarauf@seu.ac.lk

ABSTRACT

Purpose: This study explores the role of cloud computing in modernizing accounting methods, focusing on operational efficiency, accessibility, and real-time financial analysis. It highlights how cloud-based systems automate accounting tasks, reduce manual errors, enhance team collaboration across locations, and strengthen data security through encrypted storage and regular backups.

Design/methodology/approach: A survey methodology was employed, targeting 100 finance professionals utilizing cloud accounting software. Data collected from the survey were analyzed using SPSS, leveraging descriptive statistics and regression analysis to measure the impact of cloud computing on accounting practices and decision-making.

Findings: Cloud accounting significantly enhances decision-making by providing real-time access to financial data, reducing operational costs, and enabling scalability. However, challenges such as data privacy concerns, integration with legacy systems, and the need for user training were also identified.

Practical implications: The findings offer practical guidance for organizations adopting cloud accounting systems, emphasizing the necessity of addressing data security, system integration, and user readiness to optimize benefits and ensure successful implementation.

Originality value: This research establishes cloud computing as a pivotal factor in modernizing accounting methods, providing enhanced flexibility, security, and operational efficiency. It offers actionable recommendations for leveraging cloud technology to transform accounting practices.

Keywords: *Cloud Computing, Accounting Systems, Operational Efficiency, Data Security, Financial Decision-Making*