

THE IMPACT OF ARTIFICIAL INTELLIGENCE ON ACCOUNTING

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ABSTRACT

With the rapid development of science and IT, the age of artificial intelligence has arrived, which greatly affects every aspect of human life. Artificial intelligence is very helpful with the type of person in many areas. Coming to accounting serves many purposes and increases the accuracy and precision of the final release. This article will focus on the pros and cons of using artificial intelligence in accounting. It can complement people's efforts in these areas, help diversify the sea of data and help them focus on relevant issues such as problem solving, planning, book-keeping. Made the hard work so easy and easy in a short time. The purpose of this study was to examine the impact of artificial intelligence on accounting and its effectiveness.

KEYWORDS: *IT, Artificial Intelligence, Industrial Revolution, Stock Trading.*

Introduction

In recent years, the widespread use of artificial intelligence technology has attracted worldwide attention. You will find that artificial intelligence has its effect on almost every corner of the globe, from simple introduction to human activity to gradually affecting people's daily lives. In the current context, the use of digital makes the use of technology more productive. The concept of 4th industrial revolution is constantly explored and discussed. It prepares a platform where business entities can be fully digitized, using robots and the use of artificial intelligence in all types of operations. This has changed the style of accounting from paperwork to computer work. To put it simply, AI has made the processing of large data sizes easier and faster. It reduces the amount of effort put into auditing such as magazine reviews, contractual readings, legitimacy of financial accounts in a given way. It also helps to understand the books, find inaccurate statements and any risk-related reports.

According to the survey, it is very likely that most workers lost their jobs because in the future most jobs will be handled at robots including low productivity, sales and accounting. Therefore, the primary accounting professionals are one of the groups that will be affected by the artificial intelligence.

The Beginning and Principle of Artificial Intelligence

The term "artificial intelligence" was first introduced at the Dartmouth conference in 1956. After that, many researchers have developed many ideas and principles, so the concept of artificial intelligence is also expanded. Artificial intelligence is, in fact, a simulation of the process of thinking and acquiring knowledge. Imitation of human reasoning can be done in two ways. First, artificial insemination can mimic the structure of the human brain and create a "brain-like" machine. The second is called active imitation, which will temporarily leave the internal structure of the human brain and mimic its function. A modern electronic computer simulates the mental functioning of the mind and the process of knowledge.

The term "Artificial intelligence" was coined by John McCarthy. It is part of a computer science experiment in which it dispels the various uses of machinery. There are a variety of computer-based tasks using AI techniques such as speech recognition, audit findings, systematic editing and intelligent work.

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Objective of Study

To Study the impact of artificial intelligence in accounting and explain the future of artificial intelligence in accounting.

Research Methodology

Type of Research

Descriptive / Expressive Research

Data Source

The data has been taken from various sources like research articles, publications, accounting websites, which deals directly or indirectly with artificial intelligence .

Limitation of Study

The study based on published data and information. Secondary data has many limitations like lack of accuracy, unrealistic information etc.

AI and Accounting

Artificial intelligence has the potential to transform the financial and financial industries with development that eliminates difficult and complex tasks and free human financial professionals to conduct high-level analysis and advice for their clients. However, organizations are afraid to use AI for their employees because of uncertainty in a business case or return on investment. Artificial intelligence has been used in a number of industries from stock trading to hospitals.

Many industries are trying to harness the power of AI in one way or another. Thus, in the field of accounting, the concept of AI spreads like wildfire. However, the concept of AI is new to accounting, like any other field, accountants also want to commit AI to performing account-related tasks.

AI can perform automated tasks such as inventory review, payment of invoices, processing payments. AI can also help you know the status of orders and purchase them. Documents can be automatically sent to management for approval. The process of storing data and sending it to the specified file can also be automated.

In the future, other critical activities such as auditing, taxation, staff payments and banking are expected to be automated using Artificial Intelligence. This will be a major change in accounting.

The Effect of AI on Accounting

To make efforts to improve accounting, accountants and stakeholders must use their technical knowledge and be aware of financial transactions that are not of a high standard. AI translates the role of accountants to monitor a company's financial situation and help make informed decisions. To set an example by providing a database in a cost-effective manner, developing new analytical strategies and saving time so that focus can be shifted from accounting activities to decision-making, building relationships and problem solving.

Positive Effect

The positive impact of artificial intelligence in accounting is greater. Now, let's take a look at what AI machines can do in accounting.

Pay/Receive Processing

Traditionally, processing invoices has become one of the most time-consuming and costly tasks performed by hand on any arm. Billions of invoices are processed and accounts are paid a single process between large companies. In addition, one has to go through all the emails, download invoices, verify and extract data manually and finally, process payments.

In this digital world, the need for invoicing processing has become increasingly important to improve accounting, increase volume, process zero error, and maintain merchant relationships.

The digital and financial transformation has gone to another level, thanks to invoice management systems designed for AI that help support clients in making invoice processing more efficient. As a result of technological advances in the financial sector, digital machines using AI read financial codes that fit all invoices.

Procurement

AI technology will add value if it is given the right platform, so application leaders in purchasing need to develop better adoption of basic purchasing solutions. There is a lot of paperwork involved when it comes to completing purchasing methods and procurement organizations. A large number of records need to be maintained on offline systems. Since AI machines process random data using APIs, the purchase process will be done automatically.

Audit

Data analysis is very important for auditors. It helps them to easily establish the size of the audit and to conduct risk assessments. The Robotic automation and analytics process simplifies tracking records for standard transaction research. Complex computer, AI and prediction predictions help with complex and uncommon transactions that require measurement and judgment.

Artificial intelligence performs many previously performed tasks by hand, such as data entry. It analyzes 100% of the data set without requiring the person to perform tests, write documents, or remember all the rules. Central to the future of auditing is that AI transforms the meaning of sound assurance, by fully understanding ledger and risk-based misconceptions, rather than rules. The audit process has led to an improvement in the level of security. Auditors use a digital tracker to scan and track files. It enables auditors to perform better and smarter by scanning digital files rather than spending more time searching the entire file manually.

Monthly / Quarterly Cash Flows

AI-assisted enterprises have financial management tools to quickly and easily adapt the organization's work and understand their historical cash flow function and future financial needs. It shows both styles back and forth in time.

AI tools, devices, or AI programs not only speed up your processes but also make your financial processes more precise and secure. AI-enabled systems can collect data from a variety of sources. AI-enabled devices make your monthly / quarterly cash flow collected on time and integrate you easily.

Expenditure Management

AI-enabled systems can replace people by taking all pre-made functions thus saving time. They are fast and efficient. The task of reviewing and finalizing costs to ensure compliance with company policies is difficult. The manual process is time consuming. AI will speed up the process because instead of human error, the chain will be completely digital, allowing for stronger, more accurate reviews. AI machines can read all receipts, audit costs, and also notify employees when problems arise.

AI Conversations

AI-driven conversations are designed to resolve user queries effectively. Inquiries may include the latest account balance information, statements, liabilities, and account status, etc.

AI conversations can also be used to allow employees in other departments, such as sales or marketing, to effectively report and track business expenses by sending receipts directly to the board or by asking simple questions such as, "Do I have outstanding costs reports?" or "When will I be reimbursed for these business expenses?"

AI conversations even responds to daily inquiries from customers and is increasingly able to manage support level 1. In addition, they can answer questions about your latest account ratings, due date for specific bills, account status and more.

Ride Provider

Applying AI to your boarding processes can help you achieve a wider set of new customers while increasing revenue and separating your organization from the competition. AI tools can put all providers into programs without personal involvement. Also, they can set up query sites to get the required data.

Therefore, AI helps narrators in many ways. Many aspects of financial services include a series of activities resulting from manual verification, testing, and data validation. AI not only allows accounting companies but also technology companies to solve problems in ways we never thought possible, thanks to the data we are equipped with.

Negative Effect

With good results the wisdom of accounting has a negative point defined as below:

- **Human Intelligence**

AI will never replace the complexity of human intelligence.

- **Reasoning**

Professional accountants do more than just keep track of receipts and advisers in many areas such as tax planning, operations, etc. AI will not be able to take on that consultation function anytime soon.

- **The Interaction of the Cross**

Accountants work regularly in many countries and authorities; AI algorithms have not yet been able to filter out this complex intersection.

The only problem we face in using AI is to get people acquainted with its concept, on board with the fact that their jobs will be replaced by smart machines. Many people believe that AI will help the company continue to profit.

Only accountants need to understand the value of these machines as well. They can use it to provide in-depth information to the company. In order for these people to understand and accept a valued culture, they must be trained and understand how to help them.

Conclusion

AI paves the way for a better and more conducive environment in the financial sector. Improvements in the AI sector can be of great help to human efforts. The adoption of AI should be welcomed and efforts to increase its potential can do wonders in that vast field work and include a sea of data. The emergence of artificial intelligence is the result of social and economic development. Artificial intelligence has changed the traditional way of doing accounting work, but it will not eliminate the accounting done. The emergence of artificial intelligence is an opportunity, not a challenge, in the accounting industry and financial writers. The emergence of artificial intelligence has caused some accountants to lose their jobs to some degree, but over time, it will not replace accountants. What requires accounting professionals to have a positive view of artificial intelligence, is progressive

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