



Research Proposal

Topic: Cloud accounting and its impacts on small and medium size Enterprises - The case of Airdri Ltd

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Chapter 1: Introduction

1.1 Background

Small and medium size businesses are continuously altering their business activities based on the fluctuation in the market. Accounting information and data are regularly used by the organisation to effectively evaluate the financial situation of the company (Arsenie-Samoil, 2021). Accounting has tremendously evolved in the past decades and as such, has become very important in business nowadays for many reasons, including and not limited to systematically recording transactions and preparing financial statements. Quantitative financial information can also be effectively tracked with the help of accounting. With the help of cloud accounting, the business organisation can effectively manage all their accounting tasks, all the while staying cost-efficient, time-efficient and scalable. This study will demonstrate the impact of cloud accounting in the business organisation Airdri.

1.2 Significance

Cloud accounting has significantly changed the business operations of many organisations in the UK and as of now, several cloud computing software is readily available online such as QuickBooks and Xero which are utilised by most organisations (Ionescu, 2019). Cloud-based accounting provides remote accessibility, advanced security, business continuity, regular backups, cost-efficient solutions, team collaboration, scalability and so on. Due to these reasons, it is understandably gaining huge popularity as it is effectively helping the CPA, business owner and accountants of companies such as Airdri to effectively streamline the entire accounting process all the while improving the aforementioned aspects of their business.

1.3 Purpose of research

The evolving new trends involved in accounting are helping the business to effectively improve the business operation of the company Airdri and as a result, delivering additional cost benefits to all the business organisations. These organisations are trying to keep up with the pace of these fast-evolving technologies (Almomani *et al.*, 2019). For these reasons, it is extremely important to study whether the organisations are reaping the perceived benefits or not and therefore, how this

changing trend will impact the future possibilities of small and medium size businesses will be effectively explored in this study.

1.4 Proposed aims of the research

The research aims to effectively examine and investigate the influence of cloud accounting in small and medium sized businesses like Airdri. Modern accounting has undergone gradual changes over the years and following the advancements in tech and cloud computing, these technological advancements have introduced significant improvements to the ‘outdated’ systems previously and are still widely used in the UK.

1.5 Objectives of the research

The research objectives related to the topic are:

1. To effectively explore the overview of cloud accounting in Airdri
2. To effectively assess the benefits of Airdri’s use of the latest cloud accounting technologies
3. To effectively demonstrate the influence of cloud accounting on Airdri in present and its impact on future business.

1.6 Research questions

The questions of the research are

1. What is the impact of cloud accounting in Airdri?
2. How the organisation Airdri is assessing the latest technologies of cloud accounting?
3. What possible influence cloud accounting may have on the future business of Airdri?

Chapter-2: Literature review

2.1 Overview of cloud accounting and its advantages

According to Al-Nsour *et al.* (2018), cloud accounting helps the organisation to effectively store and analyse a huge amount of data in their system and therefore making processes smoother and more importantly, scalable. Many small business firms are also using cloud computing systems for their accounting system and it has made it easier for these business organisations to effectively

perform general basic cloud accounting tasks. According to Coyle and Nguyen (2018), it helps the organisation to create simple accounting applications in the cloud system. It has also helped the managers and the business head of the organisation to effectively manage and organise their cloud and IT operation. Cloud accounting can be considered an online accounting service. It also allows the business to effectively access all the data from a choice of many devices such as laptops, desktops, mobile phones, iPads and more. As per the viewpoint of Maruschak (2018), the data and the information in the cloud computing system are also safe due to their paperless nature and backup system. However, many SME companies are still not aware of these facilities, and so are not making use of them. It is the latest accounting trend that is very much useful for all business firms to effectively enhance the operation of their organisations. Cloud accounting tasks can be unmanaged from anywhere not necessarily from the computer of the user. Same software versions can be effectively assessed by several branches of the same organisation. Accessibility, security and cost savings are the main advantages of the cloud accounting system. As per the viewpoint of Gulin *et al.* (2018), bandwidth is also a huge advantage of the cloud computing system. Bandwidth defines the number of data that can be easily transported from one point to another at the same point in time. Data security is a major concern for businesses nowadays. In cloud storage, it is not necessary to attach all the large files to the email. The most important advantage of the cloud computing system is the huge availability of vital information. However, several drawbacks are also associated with cloud accounting such as an internet connection being a must to operate this type of business. Without the presence of an internet connection, it is not possible to effectively maintain the operation.

2.2 Comparative study of products and services offered by several cloud accounting companies

As per the viewpoint of Al-Nsour *et al.* (2018), Several companies are utilising the cloud accounting system to effectively control their business operation, these top 5 international companies are Fresh Books, Zoho, QuickBooks, GoDaddy along with Xero. Fresh Book is also a cloud computing software that mainly targets small start-up organisations. Invoices can be easily sent by these applications, and therefore makes the accounting work very easy. The organisation also receives the payment effectively due to their operation and service. As opined by Gulin *et al.* (2018), the applications allow the business to effectively share business information with the team

members of the organisation as well as accountants. Many businesses also prefer Zoho Books as their accounting software in the business. A huge amount of accounting tasks are usually handled by Zoho. According to Maruschak (2018), it can be used to negotiate deals and it can also be used to effectively raise sales orders. With this software, organisations can effectively create GST invoices. With the help of this application, an organisation can also access their tax liability. Several reports have stated that Zoho Books can be considered the best accounting software for all microbusinesses around the world. It is also affordable and offers very simple accounting options. According to Coyle and Nguyen (2018), Go Daddy also offers several bookkeeping facility tools to track expenses and incomes. Xero, Zoho and Quick Books also allow inventory tracking while GoDaddy provides live support, and all A/R and A/P transaction forms are also allowed by Zoho.

2.3 Cloud accounting in the present scenario

According to Gulin *et al.* (2018), there are several reasons why cloud accounting is very good for the business. Cloud accounting offers greater flexibility and convenience to the employees of the organisation. Cloud accounting also provides easy access to the most up to date information stored, with ease of access and sharing. It also allows the business to effectively lower their costs as a result of the amount of time saved filing, recording, finding and sharing information externally and internally. These external and internal benefits improve collaboration for all parties and as a result, increase productivity and work satisfaction. As opined by Gulin *et al.* (2018), cloud accounting allows the business to effectively go through changes along with updates. Many organisations are also shifting towards the “Triple Entry Accounting System”. It can also improve the importance of key metrics in the business. Accountants also need to develop changing business models and they should have the ability to creatively implement innovative business techniques. According to Maruschak (2018), these strategies are required to be adopted by future firms to effectively deliver true value to the business organisation. These strategies will also help the business firms to effectively remain competitive in the business for the future. Organisations are also required to adopt a virtual workforce model in their business to effectively improve their entire business operation.

Chapter 3: Research Methodology

3.1 Research philosophy

Research philosophy refers to the process in which the data will be gathered by the researcher. Research philosophy can be divided into four separate categories (Saunders *et al.*, 2019). In quantitative research, it is best to utilise the quantitative research philosophy, method. This philosophy also involves the accumulation of scientific data. Positivism research philosophy also allows the researcher to effectively collect precise data and the data that are collected in this method are based on measurement. For this reason, the researcher has chosen the positivism research philosophy for this research work.

3.2 Research design

Research design can be considered as the philosophical framework of the entire research work. In this research work, the exploratory research design will be utilised. An exploratory research design will provide a lot of flexibility to the researcher and can ultimately reduce the cost of research as well (Adams *et al.*, 2014). Explanatory research will also assist the researcher in effectively understanding and solving the specific problem in detail.

3.3 Research approach

The approach of research can be subdivided into two categories: deductive research and inductive research. In this research, the deductive research approach will be taken to increase the efficiency of the entire research work (D O'Gorman and MacIntosh, 2015). This research will enable the effective explanation of causal relationships between variables and concepts.

3.4 Sampling method

Emails will be sent out to Airdri employees to request their cooperation; therefore, the sampling method will be volunteer sampling. This researcher will utilise the technique to effectively collect and accumulate the data. This will also ensure that the participants have explicitly chosen to take part and their answers are more likely to be accurate.

3.5 Method of Data Collection

In this research work, the primary data collection method will be questionnaires sent via email. These questionnaires will be created through Typeform, a free questionnaire/survey tool that will allow the easy collection and basic analysis of the data.

3.6 Time prospect of research

	Week Number					
Activities	1	2	3	4	5	6
Choosing the topic						
Setting aims and objectives						
Conducting primary research						
Analysis of the collected data						
Research findings						
Developing the construction						

Table 1: Gantt Chart

(Source: Created by the learner)

3.7 Ethical consideration

Private and confidential information will be retained and dealt with as per the data protection act 2018 and as such the implementation of GDPR. Participants' rights will be respected at all times during data collection this includes and is not limited to the below :

- Right to withdraw
- Right to give informed consent
- Right to anonymity
- Ensuring participants do not suffer any adverse consequences/harm as a result
- Fairness in the distribution of the data collection methods

During the analysis of data, these ethical considerations will be taken into consideration

- The anonymity of participants will be kept if requested
- Data will be kept for a reasonable length of time before discarding
- Accurate and fair interpretations of the results will be made
- Data will be used only for the agreed and intended purposes.

Chapter 4: Conclusion

Accounting is very much important in modern business activities. Accounting helps the business to effectively track the expenditure and the income in the business. Statutory compliance is effectively ensured by accounting. Explanatory research will help improve the effectiveness of predicting the future occurrence of the research. These data will be collected and analysed through statistics and that is why in this research work the positivism philosophy of research has been chosen. All the businesses are incorporating and integrating all the new technology and trends in their business and the business organisations.

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