INFLUENCE OF TALLY ERP.9: ACCOUNTING PROFESSIONAL'S PERSPECTIVE IN COIMBATORE DISTRICT

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Abstract

Accounting has evolved consistently over the past decades, with each new addition and innovation making it even better and challenging while providing satisfaction and convenience to the users. Modern accounting has reached the present stage after undergoing gradual changes over the years; by keeping pace with the fast evolving technological advancements. There has been consistent modification and development from manual methods to technological alternatives which has made accounting easier and convenient for users. The recent shift in accounting towards faster technologies has immensely increased its capacity to serve users. Tally Erp.9 is expected to make accounting easily accessible, less expensive and time saving. Tally Erp.9 software involves use of accounting based software through any computers. The objectives of the study are: to have an overview of Tally Erp.9; and to understand the impact of Tally Erp.9 accounting software in the present scenario with insights from accounting professionals. The emerging trends in accounting not only help in increasing the efficiency of the firms but also provide additional cost benefit. In such a case, there is a need to study whether the perceived benefits are actually enjoyed by the firms which are incorporating these trends into business, and also how this can possibly change the future of the growing start-ups. Primary data were collected from accounting professionals of various organizations. Secondary data were collected from professionals, books, journals, websites, etc.

Key words: Accounting, Tally Erp.9 accounting software, accounting information system, etc.

1. Introduction

Accounting has evolved consistently over the past decades, with each new addition and innovation making it even better and challenging while providing satisfaction and convenience to the users. Modern accounting has reached the present stage after undergoing gradual changes over the years; by keeping pace with the fast evolving technological advancements. There has been consistent modification and development from manual methods to technological alternatives which has made accounting easier and convenient for users. The recent shift in accounting towards faster technologies has immensely increased its capacity to serve users. Tally Erp.9 is expected to make accounting easily accessible, less expensive and time saving. Tally Erp.9 involves use of accounting based software through any computers.

2. Tally Erp.9 - An overview

Tally.ERP 9 is one of the most popular accounting software used in India. It is complete enterprise software for small & medium enterprises. Tally.ERP 9 is perfect business management solution and GST software with an ideal combination of function, control and in built customizability. Tally is accounting software used to maintain the books of accounts, vouchers, invoices, receipts, financial accounts and reports in electronic form. Tally.ERP 9 contains all the features required for high performance business management. It is considered as simple software which makes accounting easier. A user having no knowledge of accounting can also maintain the books of accounts easily using Tally.ERP 9. Invoice format can be customized according to the need of the users. It is easy to make invoices, generate reports and to prepare tax compliance reports. It is noted that no separate internet connection is required as the software is installed in the personal computer. It is easy to maintain multiple warehouses and track the actual stock in real time. Tally.ERP 9 is simple and easy to understand the feeding of input data. The user needs to give the input data only. The accounting entries are made, invoices and vouchers are prepared and reports are generated automatically by the software. It is faster yet accurate in keeping the books of accounts.
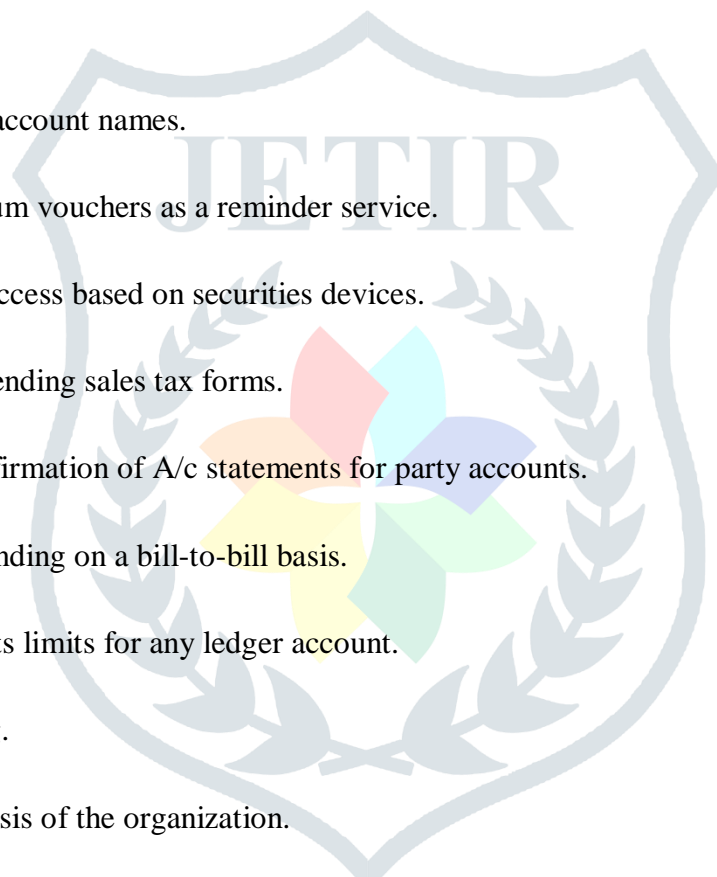
3. Using Tally Erp. 9 accounting software

The simplest description of Tally is financial accounting software. Many of the facilities of Tally are possible because of this single item. The need for the elimination of codes is simple. The removal of an additional layer of information between accounts and the people managing it increase the usage and psychological acceptability of a system. Traditionally the association of codes with computers was requirement of the archaic computing method, rather than a requirement of computers itself. Despite the evolution of systems over the years, programmers have tended to remain with codes as it makes life for the computer easier. Tally provides the normal cash book ledger, sales and purchase register. journal register debit and credit note registers as the principal books of accounts, and further the statutory statements generated thereon viz. the trial balance, profit and loss and balance sheet and other statements such as cash flows, funds flow performance analysis, etc. It permits you to define your own classification methods to organize the information more meaningfully, keeps track of your outstanding receivable or payable on a bill to bill basis, and allows you to set budgets for accounts or groups of accounts.

4. Features of Tally

- Internal checks for data integrity, eliminating the possibility of bonafide or malafide data corruption.

- Display of daily balances and transactions of any account group or cost center.

- Display of list of any voucher type.

- Display of highest and lowest cash balance during the year.

- Smaller memory requirements.

- Bank reconciliation.

- Internal calculator

- Budget and variance analysis reports.

- Multiple columnar sales and purchase register.

- Different types of taxing methods.

- Ageing analysis.

- Use of aliases for account names.

- Use of memorandum vouchers as a reminder service.

- Multiple level of access based on securities devices.

- Support to track pending sales tax forms.

- Generation of confirmation of A/c statements for party accounts.

- Tracking of outstanding on a bill-to-bill basis.

- Setting of payments limits for any ledger account.

- Selective reporting.

- Performance analysis of the organization.

- Raton analysis, cash flow and fund flow analysis.

- Turnover analysis.

- Payment performance of sundry debtors.

- Automatic reversing journal.

- Percentage based reporting.

- Comparison of data.

- Export import of data.

- Consolidation of branches.

- LAN Support.

- Quantity related information.

5. Merits and demerits of Tally Erp.9 accounting software

By the use of Tally Erp.9 accounting software, users can access data from any place and through any device computers. This provides high amount of flexibility to the small and large enterprises. Work groups and teams around the world can access data and information and work together with no hindrance of place. Accounting data sharing through internet becomes very easy with the help of Tally Erp.9 accounting software. Security of data remains a major concern for any individual or enterprise. Tally accounting software has a similar mechanism of storing data as the traditional software. Remote servers contain effective security protocols. In case of loss of the device such as a laptop, data stored on remote storage is likely to keep the information much safer than storage on device. The threat of data theft is eliminated in Tally Erp.9 accounting as the user must log into the Tally Erp.9 account to access the software. Capital investment is low. Also, there is lesser requirement of accounting professionals so less labour costs and significant savings. The software is very simple to use and contains the basic functions. Tally Erp.9 storage does not require attaching of large files to email. With Tally Erp.9 accounting software, information is available to the user as soon as the transactions are entered on the systems. This ensures timely management of finances, better and quicker decisions. A significant disadvantage of Tally Erp.9 accounting software is that it can be activated and surrender only with the presence of an internet connection. The data of an organization is stored on a server unknown to them. This means the control over the data is not entirely in their hands, which could be a matter of concern to the organization. The standard accounting package provided by the provider doesn't suit all the needs of clients. Sometimes an organization may have needs which are not matching the standard accounting package services.

6. Need for the study

The emerging trends in accounting not only help in increasing the efficiency of the firms but also provide additional cost benefit. In such a case, there is a need to study whether the perceived benefits are actually enjoyed by the firms which are incorporating these trends into business, and also how this can possibly change the future of the growing start-ups.

7. Objectives of the Study

1. To have an overview of Tally Erp.9 accounting software.

2. To understand the impact of Tally Erp.9 accounting in the present scenario with insights from accounting professionals.

8. Methodology

Primary data were collected from accounting professionals of various organizations. Secondary data were collected from professionals, books, journals, websites, etc.

9. Findings

A survey conducted amongst 33 accounting professionals to know the impact of Tally Erp.9 accounting in the present business scenario has revealed the following results:

1. The survey reveals that 84.8% professionals are aware of the recent trends in accounting and 90.9% professionals are aware of Tally Erp.9 accounting software.

2. It has been found that 63.6% professionals came to know about Tally Erp.9 accounting through internet and social media, 30.3% through their workplace and 6.1% through print media.

3. There are 87.9% professionals who don't use Tally Erp.9 accounting and 12.1%do. It states that 27.3% professionals completely agree that there is reduction in human resource employed, 57.6% professionals partially agree and 15.1% don't agree. 78.8% professionals agree that Tally Erp.9 accounting minimizes manipulations whereas 21.2% disagree.

4. It is observed that 72.7% professionals consider security of sensitive financial data in Tally Erp.9 accounting software to be average, 24.2% consider it very good and 3.1% professional feels it's not good.

5. Also, 72.7% professionals agree that financial data analysis of Tally Erp.9 is better and 27.3% disagree. There are 84.8% professionals who agree Tally Erp.9 billing is more efficient and 15.2% disagree. Professionals who feel efficiency of Tally Erp.9 in fraud detection is good are 72.7%, 21.2% considering it as average and 6.1% consider it to be excellent.

6. It has been stated that 84.8% professionals believe that Tally Erp.9 accounting software has led to changes in auditing process whereas 15.2% don't feel the same. Also, 72.7% professionals partially agree that Tally Erp.9 accounting software is beneficial to determine the true financial position of a firm, 24.2% strongly agree and 3.1% strongly doesn't agree.

7. Majority of the professionals have answered that they partially agree about features such as impact of Tally Erp.9 accounting on reduction of human resource employment and to determine the financial position of a firm, which indicates that they are still not fully aware of the impact of Tally Erp.9.

8. Majority of the professionals agree that Tally Erp.9 minimizes the manipulations in accounting, helps in fraud detection, has better analysis of financial data, has efficient Tally Erp.9 billing options and has led to changes in the auditing process, which indicates a positive sign for future

of Tally Erp.9 accounting software.

10. Tally ERP.9 - The way forward

Tally Erp.9 accounting may lead to a major shift towards the concept of double entry accounting in which all accounting entries which have the involvement of outside parties are cryptographically secured by a double entry. It is done with the help of block chain technology which allows all entries to be present in a public ledger, promoting trust and transparency. Tally Erp.9 accounting may increase the importance key metrics in business. Accountants will be need to find a way keep-up with the changing business needs and must be willing to creatively implement techniques and must know how to leverage the metrics affecting their business. This is seen as a necessity for future firms in order to deliver true value and remain competitive. With the rise of Tally Erp.9 accounting technology, more and more enterprises are adopting the virtual work force model into their business. Tally Erp.9 helps employees to communicate effectively and stay connected and the business owners reap benefits in the form of more productive employees. Thus, firms that embrace the change will prosper and those who don't will face challenges in hiring and retaining the top talent.

11. Conclusion

The continuous changes occurring in Tally Erp.9 accounting are expected to affect a wide range of industries and enterprises, and every business owner must sooner or later face the impact of this shift. Tally Erp.9 accounting is sure to have great impact on the growth of SMEs. With an array of benefits such as cost efficiency, high security, ease of use, etc. to offer, Tally Erp.9 accounting software is the right choice for any business wishing to keep pace with its competitors. Tally Erp.9 accounting can be highly beneficial for SMEs as it offers efficient technology and accounting service at a lesser cost. The customization offered by Tally Erp.9 accounting is a great benefit to any business adopting it, which enables every business whether small, medium or large to customize Tally Erp.9 software according to their requirements. In the near future, access to on-demand, actionable business data will be a daily necessity for an enterprise. Entrepreneurs will no longer use the traditional accounting system since through the use of Tally Erp.9 accounting software vital data is made readily available. Thus, entrepreneurs can make smarter and faster decisions with confidence.

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