

## **Modeling the Cloud Accounting Advantages with a Interpretive-Structural Approach<sup>1</sup>**

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### **INTRODUCTION**

Cloud accounting represents a new organizational model in which the accounting services of IT and IT support companies as online services, with users accessing software applications over the Internet, without specific infrastructure or operating systems, and without partial licenses, in exchange for Online services are provided. Due to the advancement of technology and the great importance of cloud accounting, the purpose of this study is to investigate the cloud accounting advantage in Iran using interpretive structural modeling.

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## **MATERIALS AND METHODS**

In terms of the result, this research is considered developmental research because it seeks to design a structural-interpretive model (ISM) for the development of the benefits of cloud accounting in Iranian companies, and in terms of the purpose of the present research, it is of an applied type. In this research, to achieve a comprehensive conceptual model of the benefits of cloud accounting, the following three steps should be performed.

First, by examining the theoretical and theoretical bases of the research, the components and benefits of cloud accounting were collected, and then in the second stage, after collecting with the participation of 16 members of the accounting faculty who were selected purposefully, the benefits related to cloud accounting were collected based on the fuzzy Delphi analysis of the case Was investigated. The reason for choosing faculty members was that most accountants and auditors did not have specific knowledge about cloud accounting, and considering the novelty of cloud accounting, it was decided to conduct this research among academics.

In the final step, according to the finalization of the components and indicators, the last stage of the questionnaire to design an interpretive structure model is sent to 12 faculty members of the accounting field and based on the structural-interpretive analysis, the priority and effective layers of cloud accounting are determined. The reason for choosing 12 people in this research is in line with the nature of qualitative research and the adequacy of data at this level of society because a higher number causes deviation in the interpretive structural analysis due to the requirement to use the fashion index.

## **RESULTS AND DISCUSSION**

The results show that the main advantage of cloud computing based on prioritization is cost reduction and remote access. Also, the highest level and least effective advantage of cloud accounting is more security. Other connections are specified in figure (1).

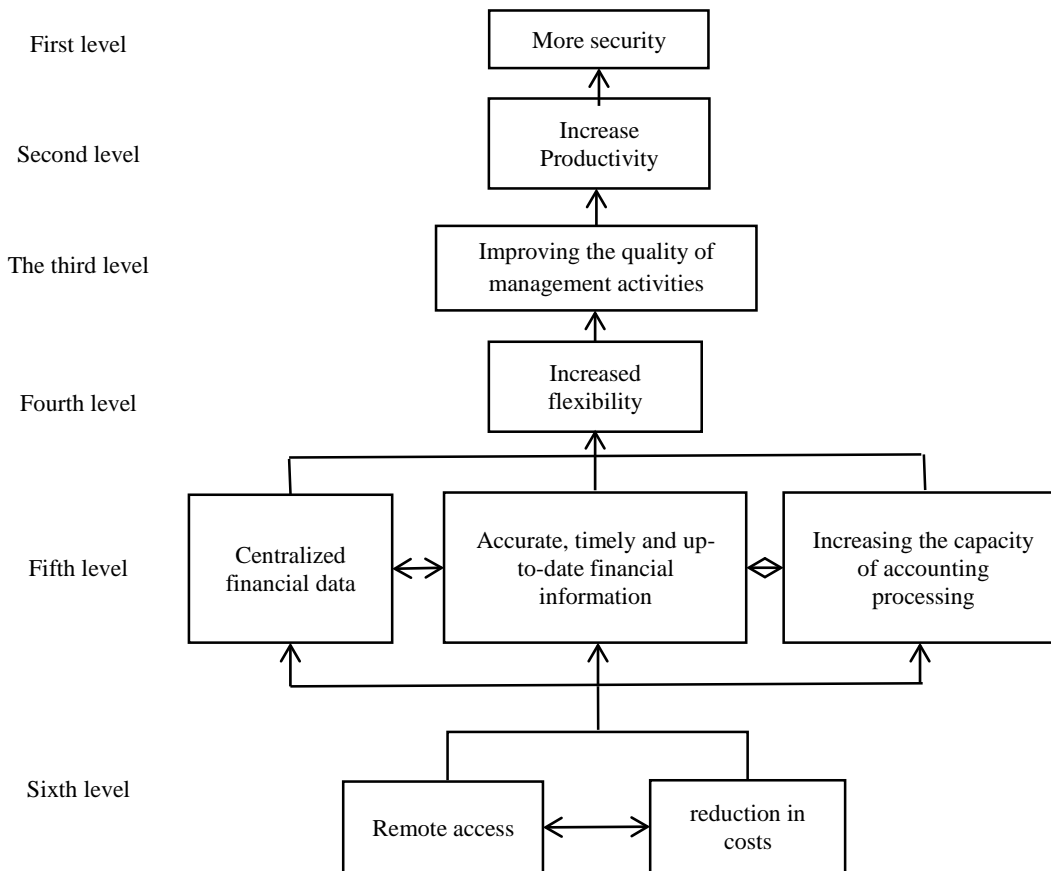


Figure (1): Structural-interpretive model of cloud accounting benefits

### CONCLUSION

The research results showed that at the sixth level, the two components of cost reduction and remote access are the most important advantages of cloud accounting. Cloud accounting leads to cost reduction in different ways. After financial outsourcing, companies do not need to purchase relevant software and hardware to complete financial functions, which can reduce initial and investment costs. Also, financial outsourcing can reduce the costs of maintaining and upgrading the system daily, and it can be upgraded automatically, and you can get the latest technology at the lowest cost. Finally, financial outsourcing reduces labor costs and avoids the cost of IT professionals to maintain the system, and there are no hidden costs

other than an Internet connection, a browser, and paying a monthly subscription. On the other hand, another important advantage that exists at this level is remote access that managers and accountants can access the company's accounting activities anytime and anywhere by having the Internet and through a browser, which can lead to the fact that the managers access the company's information in their non-office time and even in their free time and consider the information for their decisions.

In the fifth level, it was determined that the three components of centralized financial data, accurate, timely financial information, and update and increase of information processing capacity were placed as advantages of cloud accounting. In cloud accounting, considering that there is no need to buy infrastructure or software, a data center whose server is located in the service company is used and all financial data is centralized. Also, due to the integration of the accounting system, all financial information is available and under the supervision of managers, which leads to accountants providing accurate, timely, and up-to-date financial information. In addition, it can be managed and customized by submitting requests to service providers, and by using predefined formulas for different types of accounting activities, they can increase the capacity of information processing.

Also, at the fourth level, the flexibility component was identified as an advantage of cloud accounting. Cloud accounting is an agile and flexible system, and by more efficient use of resources and their exact adaptation to the needs of accounting day, it makes companies dynamic.

In addition, the results of the third level showed the improvement in the quality of management activities as another advantage of cloud accounting. The professional process and management skills that financial outsourcing providers can minimize the possibility of incorrect information in accounting, so they can guarantee the quality of financial information and management decision-making based on this information leads to the improvement of the quality of their activities.

In addition, at the second level, it was determined that the component of increasing productivity is the next advantage of cloud accounting. By providing accurate and timely financial information, financial outsourcing can make companies' decision-making more scientific and respond to market changes faster, and also breaks the time and place limitations of financial management, and managers can handle their work and activities

online and on the Internet. Improve the productivity and efficiency of the organization.

Finally, at the first level, the security component was identified as an advantage of cloud accounting, because the servers are outside the company, in the event of various incidents such as computer hard drives, theft, fire, etc., the company's information will not be damaged.

**Keyword:** Cloud Computing, Cloud Accounting, Cloud Accounting Advantages, Information Technology in Accounting, Interpretive Structural Modeling.

**JEL Classification:** M41, L24, L86, O14.

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