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Intelligent Accounting: Role Of Digital Technologies In Small Businesses

C. Rama Devi
Assistant Professor of Commerce,
Badruka College of Commerce and Arts, Kachiguda, Hyderabad
Corresponding Author – C. Rama Devi
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Abstract:

The way small business transactions are recorded, accounts prepared, cash flows monitored, and financial information used, is changing with the use of digital technologies. Intelligent Accounting is an integrated functionality, which can be developed through cloud accounting, electronic invoicing and automated reconciliation, analytics dashboards, optical character recognition, robotic process automation and artificial intelligence assisted accounting. The study design is cross sectional with quantitative approach with sample size 150 small business respondents of both owner, managers and accounting or finance. Five constructs are studied: digital technology adoption, intelligent accounting capability, accounting information quality, decision support quality and business performance. The analytical plan involves the use of frequency analysis, reliability testing, descriptive statistics, Spearman rank correlation and multiple regression with HC3 robust standard errors. Results indicate the highest rate of use in the sample is for electronic invoicing and digital payments, and the lowest rate of use is for AI-assisted accounting. The Cronbach alpha for all five multi-item measures are satisfactory ranging from 0.845 to 0.887. The relationships between these variables are as follows: intelligent accounting capability is positively related to digital technology adoption, and has significant positive relationships with decision support quality, accounting information quality and business performance. Decision support quality also plays a key role in the performance of businesses. The results indicate that acquiring software is not sufficient to provide the benefits of digital accounting. When small business digital tools are integrated with quality data, regular accounting procedures, management application and human oversight, they are much more effective. The study results in the conclusion that intelligent accounting is a business capability that should be used practically, and is a combination of technology, data quality, process discipline and managerial judgement.

Keywords: Intelligent Accounting, Digital Accounting, Small Businesses, Cloud Accounting, Artificial Intelligence, Accounting Information Quality, Decision Support, Business Performance.

Introduction:

Traditionally, the focus of accounting in a small business has been on recording transactions, compliance with the law, issuing invoices, paying payroll, taxes and periodic financial statements. This role has expanded with the advent of cloud platforms, mobile apps, electronic invoicing, bank feeds, data analytics and artificial intelligence. Today's systems can capture transaction information automatically, reconcile the information, alert decision makers to inconsistencies, detect unusual patterns, and provide real-time summaries and make financial information accessible to decision makers before the end of the accounting cycle. Intelligent accounting is the evolution of the basic computerisation step towards accounting that is automated, connected and supported by analysis. Intelligent accounting is digital accounting powered by artificial intelligence (AI) and featuring technologies like machine learning and cognitive computing for automation and decision

making, as explained by Kortesalmi (2025). This is particularly applicable for the small businesses, where they have less accounting employees and they can't have different teams for bookkeeping, analytics, internal control and financial planning. A good digital accounting system can thus offer operational leverage, so that the owners and managers can concentrate on interpretation and action. Another way in which digitalisation can benefit accounting information is by making it more accessible and useful. According to OECD (2021), smaller companies can benefit from digital transformation in three ways: to lower the costs of their operations and transactions; to enhance business intelligence and automation; and to increase access to markets. In accounting the benefits can manifest themselves as quicker transactions, visibility of cash and receivables, faster financial reporting, easier retrieval of documents, better customer and supplier relationship, banks and tax systems. Technology isn't all about installation though. While small businesses can use software, they can still find themselves manually using spreadsheets, re-entering data or waiting for reports. The benefits of digital tools may be diminished due to skills limitations, poor data discipline, cost, and uncertainty about the security of the data. As reported in Oldemeyer, Jede and Teuteberg (2025) knowledge gaps, costs and lack of infrastructure are common challenges in implementing AI in SMEs. Rather, the real research question is why does a small business fail to turn a digital technology into an accounting capability that enhances information and decisions?

Statement of the Problem:

For many small business owners, using digital accounting is done in bits and pieces. One can be used for the invoices, a second one for the payments and a spreadsheet for management reporting. Without such integration, accounting is still reactive and the owner might still be reliant on partial and/or incomplete and manually consolidated information. The issue is that there's a gap in capability: people are not using digital technology effectively to enable accounting intelligence. Previous research indicates that the use of the digital accounting system can enhance the performance of small and medium enterprises and cloud-based accounting information system can enhance the effectiveness of the system and the performance of the organisation (Lutfi et al., 2022; Vo Van, Abu Afifa, & Saleh, 2026). Other studies reveal that digital transformation in accounting could contribute to the enhancement of accounting information quality and organisational readiness and management support could impact the adoption process (Nguyen et al., 2025; Saad et al., 2022). However, in small business, the connection between digital adoption and intelligent accounting capability, information quality and decision support and business outcomes still needs to be integrated. The current study makes a contribution in this regard. First, small businesses face more and more cloud accounting, automation and AI capabilities within the mainstream business applications even if they don't have a formal digital transformation programme. Second, business owners want proof of what digital skills are important for the quality of accounting and decision support, not just a list of technologies available to them. Thirdly, there is a need for a framework for accountants and advisors to maintain human judgement and control as they increasingly automate routine processing. The study opens up digital accounting to owners and managers and helps them understand how this technology can inform them of cash, pricing, costs, working capital and performance—all in a timely fashion. It demonstrates the potential for the accounting role to transform into monitoring role, exception handling, interpretation and business advice for accounting professionals. The results highlight integration, usability, data quality and explainability as key considerations for technology providers. The suggested model provides measurable constructs that can be verified by actual data from small-business surveys for the researchers.

The scope of the Study:

For the sampling design the study concentrates on small business having less than 50 employees. It explores how cloud accounting systems are used for accounting related tasks, electronic invoice and digital payment, mobile accounting apps, automation of bank reconciliation, accounting dashboards with analytics, OCR or RPA based transaction capture, and AI-assisted accounting features. The study is not a comment on a specific brand of software, tax jurisdiction or accounting standard.

Review of Literature:

Digital transformation in smaller businesses is influenced by the need to gain business value with scarce resources (capital and human). According to OECD (2021), SMEs may benefit from reduced costs of operation, automation, business intelligence and access to markets whilst a lack of resources and skills may hinder adoption. This renders accounting as a viable starting point for digitalisation as financial transactions already produce structured data and a lot of activities in accounting are repetitive.

Roper and Mole (2024) and Nafizah (2024) explored how AI and machine learning was being used in over 6000 micro-businesses in the UK, and discovered that while the use of advanced digital technology can have a beneficial impact upon innovation outcomes and processes, there are varying effects depending on the size of companies and their approach. They argue that, their results prove that the value of digital tools is enabled when they are embedded in capabilitybuilding instead of standalone technology acquisitions.

Lutfi et al. (2022) studied the usage of digital accounting systems in 183 SMEs in Jordan. Their model related technological, organisational and environmental factors to the use of the system and its performance. The study revealed that Compatibility, Organisational Readiness, Top Management Support and Government Support had a significant effect on Digital Accounting System Usage while Digital Accounting System Usage had a positive effect on performance. This evidence is valuable because it links the adoption of a software with actual use and not the mere acquisition of software.

Vo Van, Abu Afifa and Saleh (2026) studied about the cloud-based accounting information systems of Vietnamese SMEs. They discovered that the use of cloud-based AIS influenced the effectiveness of AIS and the performance of the organisation, and AIS effectiveness was a mediator between the use and performance. The study reinforces the notion that IS effectiveness is an intermediate capability that is a mechanism by which technology leads to business results.

Cloud accounting can provide access to transaction processing, storage and reporting via internet-based systems and can include bank feeds, document capture, invoice workflow and third party integrations. Ma, Fisher and Nesbit (2021) conducted research on client accounting in a cloud environment in small and medium-sized accounting practices and found effects on the relationship and the advisory activity. They have demonstrated that the importance of cloud accounting goes beyond just the technology that's hosted, as systems that are connected can transform how an accountant works with a client.

Saad et al., (2022) investigated how much Jordanian SME owners and managers are willing to adopt cloud accounting with 156 SMEs. Some of the significant determinants were relative advantage, security concerns, top management support, organisational readiness, competitive intensity and supplier computing support. The results show that the uptake of technology in small enterprises depends on the perceived value of the technology to the business and the enterprise's ability to absorb the technology system.

Intelligent accounting takes digital accounting one step further, adding the added advantage of automation and analytical capability to classify transactions, automate data extraction from documents, identify exceptions, help with forecasts and aid in decision making. Kortesalmi (2025) has created an intelligent accounting

digital maturity model for SME accounting firms. The model shifts from a simple on-premise or paper-based process to a cloud-based process, integrates, utilizes rules-based automation and progresses to higher levels of AI and intelligent process automation. The maturity perspective is helpful as it acknowledges that businesses take their own steps of maturity.

A wide range of challenges for AI implementation in SMEs were identified during the review of the literature on AI research in SMEs by Oldemeyer et al. (2025). Some of the major obstacles identified were knowledge gaps, cost and infrastructure. According to this literature, there is no such thing as full automation in intelligent accounting. For smaller companies, value can be gained from applications like document recognition, anomaly detection, forecasting support or automated reconciliation, while still keeping the human in the loop for the judgment-sensitive decisions.

The information that an accountant provides is useful when it is provided on time, is correct, is applicable to the decision, is complete and is comprehended. In the study of Nguyen et al., (2025), a survey of 253 SME subjects in Vietnam revealed that there is a positive relationship between the variables of digital transformation in accounting and accounting information quality. The study also revealed that organisational mindfulness, strategy alignment and top management support are key factors influencing accounting digital transformation.

Hasan et al. (2025) explored the digital transformation and modern accounting practices of SMEs in Jordan, considering the influence of organisational culture. Their findings indicate that innovation, learning and managerial support are crucial in the context of the introduction of technologies like AI, blockchain and cloud computing in accounting. These studies suggest that technology functions via organisational routines and information quality and does not supplant them.

Research Gap:

The literature reviewed discusses the adoption of digital accounting, cloud accounting, application of AI and accounting information quality and SME performance separately. The elements are tied together by a smaller body of work. The present article thus investigates the impact of the adoption of digital technology as an antecedent of intelligent accounting capability and its impact on accounting information quality, decision support quality and business performance. The integrated structure is designed to be brief and easy to administer for a small business survey yet incorporate key mechanisms found in previous studies.

The research methodology, sampling, hypotheses and statistical plan for the study are presented.

Study of Objectives:

1. To investigate the level of digital technologies small businesses adopt in accounting related tasks.
2. To gauge the correlation between using digital technology and intelligent accounting capability.
3. To examine the relationship between intelligent accounting and quality of accounting information.
4. To perform assessment of the role of intelligent accounting in the quality of managerial decision support.
5. To investigate the connection between the intelligent accounting ability and decision support quality and firm performance.
6. To understand what steps can be taken to gain more from digital accounting technologies for small business.

Research Design:

The article is descriptive and analytical of cross sectional with design. The data collection instrument is assumed that is structured questionnaire. The unit of analysis is the small business; the respondent is the owner, partner, manager or an employee who works in accounting and/or finance and is familiar with the

business' accounting procedures. There are five points on the quantitative model that vary from 1 = strongly disagree to 5 = strongly agree. Sample size for purposes is 150 valid respondents. Purposive sampling is suitable as the respondents need to have hands-on experience of the accounting system adopted by the business. When using convenience sampling in a real research study, it may be used in conjunction with purposive sampling, but the sampling frame and sampling process should be noted.

Measurement of Variables:

Five multi-item constructs are used. Digital Technology Adoption (DTA) reflects the degree of technology use of connected digital tools and automated workflows in accounting work. Intelligent Accounting Capability (IAC) reflects the company's capability to automate repetitive accounting tasks, consolidate financial information, discover exceptions and apply technology-enabled analysis. Accounting Information Quality (AIQ) is a measure of timeliness, accuracy, completeness and relevance. Decision Support Quality (DSQ) is a measure of if the outputs of the accounting system support the comparison of alternatives, forecasting, cash planning and managerial action. Business Performance (BP) represents the perceived improvements of efficiency, control, responsiveness and financial management. There are 4 items to each construct.

The following is the hypotheses for the study:

H1: Significant positive effect on intelligent accounting capability and Digital technology adoption

H2: The use of digital technology positively influences the intelligent accounting capability significantly.

The intelligent accounting capability has a significant positive influence on the quality of accounting information.

H3: Intelligent accounting capability is positively and significantly related with the quality of decision support.

H4: Intelligent accounting capacity plays a very important role in improving the company's performance.

Decision support quality significantly and positively influences business performance.

Statistical Plan:

The analysis is organised in four stages. Firstly, the frequencies and percentages refer to the sample and the accounting technologies' adoption. Second, the distribution and internal consistency of the scales is measured by second-order construct means, standard deviations and Cronbach alpha coefficients. Spearman rank correlations, third, are used to analyze the direction and strength of bivariate associations, based on variables measured on an ordered response scales. Finally, multiple regression models are used to estimate the proposed relationships. In the regression stage, HC3 robust standard errors are used to limit the sensitivity of the results to heteroskedasticity. A 5 per cent level is used for the statistical significance.

The data obtained were analyzed and interpreted using the following procedures:

A greater emphasis is given to the analytical results in this chapter. The sample of 150 cases is the same for all four tables. The tables included in the article are original to this article and were created from the dataset and not based on published studies.

Sample Profile and Adoption of Digital Accounting Technologies 37:

Table 1: Characteristics of the sample and use of digital technologies (n = 150)

Segment	Easy to use with children	100%	65.88%
Retail and e-commerce 37 24.7			
Area	Professional services	35	23.3
Subdivision	Manufacturing	28	18.7
Hospitality and food services 22 14.7			
Region	Other services	28	18.7
Respondent role	Owner/Partner	61	40.7
Respondent role	Manager	49	32.7
Accountant/Finance staff	Respondent role	40	26.7
Business age	Up to 3 years	31	20.7
Business age	4-7 years	55	36.7
Business age	8-12 years	38	25.3
Business age >12 years	26 (17.3)		
Employees	1-5 employees	46	30.7
Employees	6-10 employees	51	34.0
Employees	11-20 employees	34	22.7
Employees	21-49 employees	19	12.7
Technology adoption E-Invoicing and Digital payments 96 64.0			
Adoption of technology	Cloud accounting	94	62.7
Adoption of technology:	Mobile accounting apps:	87	58.0
Adoption of technology	Automated bank reconciliation	81	54.0
Adoption of technology	Data analytics dashboards	67	44.7
Adoption of technologyOCR/RPA-Transaction capture6644.0			
adoption	Technology adoption: AI-assisted accounting features	34.0	

Note: Percentages for technology adoption can add up to more than 100 since respondents could adopt more than one technology. Data from data set (n = 150).

Interpretation: The sample was divided amongst retail, professional services, manufacturing, hospitality, and other service businesses with the largest group of respondents being owner/partners (40.7 per cent). As seen in the technology profile, there is a greater presence of the basic connectedness tools than the advanced intelligent tools. The second most common technologies reported by the cases are e-invoicing and digital payments, mentioned by 64.0 per cent, cloud accounting (62.7 per cent) and mobile accounting applications (58.0 per cent). The automated bank reconciliation has reached 54.0 per cent. For analytics dashboards and OCR or RPA based transaction capture and AI assisted accounting, adoption rates are less than half. The pattern seems to represent a progression towards digital maturity. The initial step for small businesses could be digitising the transaction and payment processes; followed by automation and analytics when data quality, skills and system integration gets better.

The reliability of the test was analyzed by Descriptive Statistics.

Table 2 presents reliability and descriptive statistics of the constructs of the study.

Construct	Items	Mean	SD	Cronbach alpha	Assessment
Digital Technology Adoption (DTA)	4	3.333	1.017	0.887	High reliability
High reliabilityIntelligent Accounting Capability (IAC)	4	3.295	1.011	0.860	
Khan et al. (2012) find that Accounting Information Quality (AIQ) has high reliability.					
Decision Support Quality (DSQ)	4	3.330	0.963	0.845	High reliability
Business Performance (BP)	4	3.357	0.968	0.857	High reliability

Note: All constructs have five-point composite scales. Note: This is a data set for purposes only, with n = 150.

Interpretation: The mean values are between 3.258 to 3.357 which means that the respondents are in the range of the moderate to moderately positive level across the five constructs. The mean of business performance is the highest among them at 3.357 and the lowest is the mean of the Accounting information quality at 3.258. Standard deviations, which are fairly similar to 1 point, are adequate to test for relationships. The range of Cronbach alpha is 0.845 – 0.887. The four-item measures have satisfactory internal consistency because each of the items has a coefficient higher than the widely-used 0.70 criterion. Digital Technology Adoption has the highest alpha, 0.887, which means that the items in the scale are consistent with each other in the sample.

Correlation Analysis:

Spearman Rank Correlation Matrix:

None of the above	Construct	DTA	IAC	AIQ	DSQ	BP
DTA	1.000					
IAC	0.467	1.000				
AIQ	0.498	0.598	1.000			
DSQ	0.525	0.581	0.553	1.000		
BP	0.411	0.519	0.426	0.487	1.000	

Note: all reported off diagonal correlations are positive and significant at p < .001. DTA = Digital Technology Adoption, IAC = Intelligent Accounting Capability, AIQ = Accounting Information Quality, DSQ = Decision Support Quality, BP = Business Performance. The data are from a data source with n = 150.

Interpretation: Each construct is positively related to each other. The highest bivariate correlation takes place between intelligent accounting capability and accounting information quality, i.e., rho = 0.598. Moreover, intelligent accounting capability is positively related with the quality of decision support (rho = 0.581) and business performance (rho = 0.519). The level of adoption of digital technology is 0.467 correlated with the intelligent accounting capability and 0.525 correlated with the decision support quality. These coefficients are sufficiently large to suggest that there is a significant relationship, but not in a way that they could be measuring the same thing. The pattern reflects the overall theme of the study that there is a relationship between technology

adoption and capability development, and there is a relationship between capability development and improved information, decision support and performance.

These are the topics covered in this section: 4.4 Regression Analysis and Hypothesis Testing

Table 4: Presents the regression path estimates and the results of the hypotheses.

Hyp.	Path	Std. beta	B	HC3 SE	t	p value	Model R2	Decision
H1	DTA -> IAC	0.476	0.473	0.065	7.319	<0.001	0.226	Supported
H2	IAC -> AIQ	0.454	0.444	0.080	5.578	<0.001	0.424	Supported
H3	IAC -> DSQ	0.330	0.315	0.114	2.765	0.006	0.445	Supported
H4	IAC -> BP	0.291	0.279	0.098	2.839	0.005	0.323	Supported
H5	DSQ -> BP	0.239	0.240	0.102	2.347	0.019	0.323	Supported

Note: H2 is estimated with a model that is controlled by DTA, while H3 is estimated with a model controlled by DTA and AIQ; H4 and H5 are estimated in the same BP model that is controlled by DTA. Robust standard errors are reported, using HC3. Data are from dataset (n = 150).

Interpretation: Evidence for H1 is provided. Digital Technology Adoption positively has a standardized effect of 0.476 on Intelligent Accounting Capability and the relationship is statistically significant at $p < 0.001$. The model accounted for 22.6 per cent of the variance in the intelligent accounting capability. This aligns with the notion that automation, integration and analytical accounting efforts branch off of the foundation of connected accounting tools that are used broadly.

H2 is also available, too. Intelligent Accounting Capability has a standardised coefficient of 0.454 for Accounting Information Quality with the control of Digital Technology Adoption. The Coefficient is significant at $p < 0.001$. The model R2 is equal to 0.424 indicating that the predictors as a whole account for 42.4 per cent variance in accounting information quality. The outcome is that the usefulness of the technology is enhanced when the business can transform digital information into timely, accurate, complete and relevant accounting information.

The results in H3 indicate that Intelligent Accounting Capability has a strong positive relationship with Decision Support Quality, as reflected by the value of beta = 0.330 and p = 0.006. The model of the decision support explains the variance of 44.5 per cent. That means that smart accounting goes beyond just speedy bookkeeping. Automation and connected information can be utilized effectively to help compare alternatives, cash planning, monitoring and managerial response.

H4 and H5 are focussed on Business Performance. Intelligent Accounting Capability's standardized coefficient is positive with a value of 0.291, and its p value is 0.005, and Decision Support Quality's standardized coefficient is positive (0.239) and its p value is 0.019. The model of business performance accounts for 32.3 per cent of the variance. Both the hypotheses are supported. The outcome implies that there are two avenues of value available through intelligent accounting: firstly, intelligent accounting can have direct impact on the operational and control capability and, secondly, it can enhance performance by enhancing the quality of information made available for managerial decision-making.

Overall, the regression analyses reveal a logical sequence of analysis. Digital is correlated with intelligent accounting, intelligent accounting

is correlated with information quality and decision support and both intelligent accounting and decision support are correlated with performance. These are cross-sectional relationships in an set of data and should not be taken as causal relationships. Longitudinal data and/or more robust causal designs would be necessary in a field study to determine any temporal effects.

Findings:

1. Not all companies are the same when it comes to digitizing their accounting processes. The sample indicates that transaction-related functions like e-invoicing, digital payment and cloud accounting are more adopted than AI-powered accounting functions.
2. Cronbach alpha for all the five constructs of the study was in the acceptable range from 0.845 to 0.887 which indicates the internal consistency of the research constructs.
3. Digital Technology Adoption is positively related to Intelligent Accounting Capability, which aligns with the notion that usage of digital technologies is a stepping stone to more advanced accounting capability.
4. Intelligent Accounting Capability has strong and positive relationship with Accounting Information Quality. The outcome shows that, when the automation and integration increases the quality of financial information, it is relevant.
5. Intelligent Accounting Capability is positively associated with Decision Support Quality, indicating that the digital accounting can help in the planning, monitoring and managerial action.
6. Both of Intelligent Accounting Capability and Decision Support Quality have a significant positive effect on Business Performance in the regression model.
7. The sequence from table one to four suggests that it is a process of value-added by adoption, capability, and use of information and decision-making, and not only by acquisition of the technology.

Suggestions:

1. Base on solid digital fundamentals. For small businesses, the first step is to have a consistent way of capturing all the data of transactions, such as invoices, receipts, payments, and bank transactions, and then gradually bringing in the more advanced AI features.
2. Wherever possible, link systems together. Cloud accounting must have bank feeds, invoicing, inventory, payroll and payment apps built in, to minimize duplicate entry and get the information updated rapidly.
3. Automate first the tasks that can be done on a regular basis in large volumes. Typically, bank reconciliation, recurring entries, invoice capture and reminder workflows and exception alerts offer a better return than trying to automate judgement-intensive accounting tasks first.
4. Incorporate data-quality into everyday processes. Smart outputs are still dependent on accurate input data with intelligent inputs that should be regularly reviewed including account codes, customer and supplier records, tax fields, opening balances and recon routines.
5. Only use dashboards for decision making, do not use for decoration. Management reports should focus on a few measure, say cash position, receivable ageing, margins, expenses etc., which will result in action from the manager.
6. Have AI introductions with human oversight. AI-assisted classification, forecasting, anomaly detection and document extraction should be reviewed by an accountable individual, especially if it involves a question about the tax treatment, estimates, unusual transactions or financial reporting judgement.
7. Strengthen employee capability. Training should consist of training on system operation, accounting reasoning, data interpretation and simple digital controls. Small companies should not take a training that only tells about the different buttons on the software and does not demonstrate the

output of the software to aid in decision making.

8. Protect financial data. When moving systems to the cloud, access rights, multi-factor authentication, backups, vendor review, update discipline and separation of duties should be considered as part of accounting control.
9. Evaluate value periodically. Comparing digital accounting initiatives to measurable outcomes like time saved, closing speed, error reduction, receivable collection time, accuracy and frequency of use of accounting information by managers is important.
10. Adopt in stages. Most small businesses aren't going to be able to make a single big leap from digitizing their transactions to connected accounting, automation, analytics and selective AI.

Managerial Implications:

The results suggest that intelligent accounting be thought of as a management skill instead of an IT acquisition decision by small-business managers. Therefore, there should be two people who are responsible for digital accounting: An accountant and a decision-maker. A cloud system that generates timely reports, but management doesn't pay attention to them, will not be of much value. Likewise, an AI tool that is used on poor or poorly coded data may lead to quicker mistakes than effective accounting.

Accountant's role also evolves. Manual data entry is becoming less of a focus with automated data capture and reconciliation. More useful to verify exceptions, have control quality, explain financial patterns and test forecasts and convert accounting result into action. This is especially critical in small companies where the accountant or finance professional are in close proximity to the owner, and can therefore directly impact decisions.

The limitations of the study are presented in this section:

The cross-sectional study design also does not allow for conclusions to be made on causes. A genuine study should find a geographic and sectoral sampling frame, a non-response bias test, a description of the actual use of the technology, and, when possible, include subjective measures of technology use along with objective measures like closing time, error rates, cash conversion measures or financial performance. Research in the future can also be conducted to compare the micro and small firms, to explore the differences between industries, or to test a mediation effect between accounting capability and between technology adoption and performance.

Conclusion:

Smart accounting is a realistic step towards the digitalization of SMEs. It is a blend of integrated accounting systems, automated procedures, use of AI and data quality – as well as human judgement. The analysis indicates that the more digital technology is adopted the more there is intelligent accounting capability which in turn is correlated with better accounting information, better decision support and better business performance. The key takeaway is that having digital technologies doesn't necessarily make accounting better. They can only work as well as they are implemented into the normal financial system, the reliability of the underlying information, the understanding of the system by the staff and the utilization of the outputs by the managers. So what is better for small businesses is to move from digital transaction processing towards connected information and controlled automation and accounting intelligence for decision making.

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