

Impact of Accounting Information Systems on Financial Decision-Making Improvement

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ABSTRACT

Purpose: This study investigates the impact of Accounting Information Systems (AIS) on decision-making and financial processes, with a focus on financial reporting, budgeting, and internal controls. It aims to evaluate how AIS influences key areas such as cash flow management, investment decisions, cost control, and risk management, while addressing implementation challenges like data security, system integration, and user training.

Design/methodology/approach: The study employed a structured survey administered to 100 finance and accounting professionals from diverse organizations that have implemented AIS. Data were collected through a detailed questionnaire and analyzed using SPSS software. The analysis included descriptive statistics, correlation analysis, and regression techniques to test the hypothesis of a positive correlation between AIS adoption and enhanced financial performance.

Findings: The results indicate that AIS significantly improves the reliability, relevance, and transparency of financial information, contributing to more effective and timely decision-making. The study also identifies critical success factors, such as robust training programs for users and ensuring seamless integration of AIS with other organizational systems.

Practical implications: Organizations adopting AIS are likely to experience better financial performance, improved operational efficiency, and a competitive advantage in strategic decision-making. Addressing challenges like data security and user readiness is crucial for maximizing AIS benefits.

Originality value: This research provides empirical evidence of the positive correlation between AIS adoption and financial performance enhancements in Sri Lanka's organizational context. It also highlights implementation best practices to ensure successful AIS adoption and sustained benefits.

Keywords: *Accounting Information Systems, Financial Decision-Making, Budgeting, Financial Reporting, Sri Lanka*