

Perception of Government-Owned and Controlled Corporations Personnel on Accounting Information System

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Abstract— *The growing reliance on Accounting Information Systems (AIS) plays an important role in modernizing financial processes within Government-Owned and Controlled Corporations (GOCCs). This study employs a quantitative descriptive research design to assess the perceptions of GOCC personnel regarding AIS adoption and its impact on financial transparency and efficiency. The study found that while AIS is widely recognized as essential for financial management, discrepancies in system adoption and integration persist across different GOCCs. Data privacy concerns and system complexity were identified as key challenges hindering full implementation. Overall, AIS was perceived as beneficial in enhancing decision-making, streamlining financial reporting, and improving operational efficiency. The study recommends targeted training programs and continuous system enhancements to ensure optimal AIS utilization and maximize its potential in the public sector.*

Keywords— *Accounting Information System: financial transparency: system adoption: government corporations: data privacy: AIS efficiency.*

I. INTRODUCTION

Accounting Information Systems (AIS) have become a crucial tool in managing financial processes, ensuring accuracy, and improving decision-making in both private and public sectors (Romney & Steinbart, 2015). In the context of government-owned and controlled corporations (GOCCs), AIS integration has enhanced financial reporting, streamlined operations, and facilitated compliance with regulatory standards (Farida et al., 2021). However, disparities in AIS adoption exist across various GOCCs, with some organizations fully utilizing these systems while others still rely on manual processes due to resource constraints and implementation challenges (Harash, 2015).

According to Kashif (2018), AIS serves as a central platform for collecting, processing, and reporting financial data, improving efficiency and accountability within organizations. In the Philippines, the government's digital transformation initiatives have encouraged AIS adoption in GOCCs to promote transparency and enhance financial management (Aurello et al., 2023). Despite these advancements, certain GOCCs face obstacles such as limited technological infrastructure, inconsistent system

implementation, and concerns over data security (Din et al., 2021). The effectiveness of AIS largely depends on user competency, system reliability, and the ability to generate accurate financial reports for decision-making (Thoa & Nhi, 2022). While some GOCCs benefit from AIS in automating financial tasks and improving data accuracy, others struggle with integration issues and staff unfamiliarity with digital accounting tools (Ernawati et al., 2019). Additionally, maintaining system security and compliance with accounting standards remain significant challenges that require ongoing attention and system improvements (Mziray & Mshana, 2023).

To maximize the benefits of AIS, GOCCs must invest in user training, strengthen cybersecurity measures, and ensure proper system maintenance (Permatasari & Luhsasi, 2022). Enhancing AIS adoption can lead to more efficient financial management, improved transparency, and better decision-making processes within government organizations. As digitalization continues to shape public sector operations, addressing these challenges is essential for optimizing AIS use in GOCCs.

II. METHODS

The study was conducted in Government-Owned and Controlled Corporations (GOCCs) in Pagadian City, Philippines, focusing on the perceptions of personnel regarding the use of Accounting Information Systems (AIS). It employed a descriptive-quantitative research design to systematically assess the effectiveness and adoption of AIS in financial operations.

In this research study, 31 employees from six (6) GOCCs participated, representing various roles within the organizations. The researchers utilized an automatic inclusion sampling technique, ensuring that all GOCCs with existing AIS were included. However, out of 13 GOCCs contacted, only six participated, as some organizations either lacked an AIS or had strict privacy policies.

The study used a structured survey questionnaire as the primary research instrument, adapted from the Delone and McLean Information Systems (IS) Model to evaluate AIS based on six key factors: efficiency, synchronization, efficacy, work as ancillary, assurance, and prominence. The survey was

divided into two sections: Section A gathered demographic information, while Section B assessed AIS perception using a Likert scale ranging from 1 (Strongly Disagree) to 4 (Strongly Agree).

The data collected were analyzed using IBM SPSS Statistics version 29.0.2.0, employing descriptive statistics such as mean, standard deviation, and frequency distribution to interpret the responses. To ensure accuracy and reliability, the research underwent ethical considerations, including informed consent, confidentiality, and voluntary participation of respondents.

III. RESULTS AND DISCUSSIONS

A. Efficiency

TABLE 1: Level of Accounting Information System in terms of Efficiency

Efficiency	Mean	SD	Interpretation
AIS works very fast	3.42	0.564	Very Useful
AIS is User Friendly	3.58	0.564	Very Useful
AIS provides valid information at the right time	3.45	0.506	Very Useful
AIS provides Data Security	3.45	0.675	Very Useful
AIS is Cost-effective in terms of financial affairs	3.52	0.508	Very Useful
AIS stores and retrieves information easily	3.48	0.508	Very Useful
Overall (Efficiency)	3.48	0.552	Very Useful

Mean Range: 1.00-1.75 –Very Useless, 1.76-2.50 –Useless, 2.51-3.25 –Useful, 3.26-4.00 –Very Useful

The results indicate that AIS is perceived as highly efficient, with a grand mean of 3.48, categorized as "Very Useful." The highest rating was given to user-friendliness (3.58), suggesting that personnel find AIS easy to navigate and utilize. However, the lowest rating was given to system speed (3.42), indicating that while the system is effective, there may still be room for improvements in processing speed. These findings align with Hla et al. (2015), who emphasized that an efficient AIS improves organizational decision-making and internal controls.

B. Synchronization

TABLE 2: Level of Accounting Information System in terms of Synchronization

Courses	Mean	SD	Interpretation
AIS coordinates various business activities	3.19	0.601	Useful
AIS makes integration and consistency among branches faster	3.26	0.815	Useful
AIS facilitates collaboration between several divisions within a firm	3.23	0.805	Useful
AIS tracks accounting activity in conjunction with IT resources	3.29	0.824	Useful
The results of financial reports can be used externally by other interested parties	3.39	0.715	Very Useful
AIS encompasses business, commerce, government, financial organization, individuals and families, and variety of other routes	3.13	0.670	Useful
Overall (Synchronization)	3.25	0.73	Useful

Mean Range: 1.00-1.75 –Very Useless, 1.76-2.50 –Useless, 2.51-3.25 –Useful, 3.26-4.00 –Very Useful

The findings show that AIS synchronization is perceived as "Useful" (3.25), indicating that while AIS helps integrate financial data across departments, there is room for enhancements in system-wide synchronization. The highest rating was given to external reporting (3.39), highlighting the system's ability to generate financial reports used by external parties. However, the lowest score (3.13) suggests that AIS could be improved to ensure better coordination across multiple business and financial sectors. Elbardan and Kholeif (2017) support this by stating that AIS synchronization improves efficiency when aligned with an organization's needs.

C. Efficacy

TABLE 3: Level of Accounting Information System in terms of Efficacy

Efficacy	Mean	SD	Interpretation
AIS improves decision making	3.48	0.570	Very Useful
AIS brings high efficiency in the storage of data	3.42	0.720	Very Useful
AIS brings accuracy to data analysis	3.52	0.626	Very Useful
AIS directly leads to an improvement in financial performance	3.65	0.486	Very Useful
AIS minimizes the cost of recording and interpreting data	3.55	0.568	Very Useful
AIS collects and stores financial data	3.52	0.570	Very Useful
AIS transforms data into useful information	3.55	0.568	Very Useful
Overall (Efficacy)	3.53	0.59	Very Useful

Mean Range: 1.00-1.75 –Very Useless, 1.76-2.50 –Useless, 2.51-3.25 –Useful, 3.26-4.00 –Very Useful

AIS efficacy was rated "Very Useful" (3.53), suggesting that personnel perceive it as highly effective in improving financial performance, accuracy, and decision-making. The highest-rated indicator was financial performance improvement (3.65), demonstrating that AIS significantly impacts an organization's financial management. These findings align with Kpurugbara et al. (2016), who emphasized that AIS improves financial reporting quality and operational efficiency.

D. Work as Ancillary

TABLE 4: Level of Accounting Information System in terms of Work as Ancillary

Work as Ancillary	Mean	SD	Interpretation
AIS brings simplification to work	3.52	0.570	Very Useful
AIS provides ease in comparison of results	3.32	0.475	Very Useful
AIS provides information to related parties	3.32	0.475	Very Useful
AIS works as evidence in legal matters	3.35	0.608	Very Useful
AIS helps in taxation matters	3.42	0.620	Very Useful
AIS reinforces the valuation of the business	3.32	0.653	Very Useful
Overall (Work as Ancillary)	3.38	0.57	Very Useful

Mean Range: 1.00-1.75 –Very Useless, 1.76-2.50 –Useless, 2.51-3.25 –Useful, 3.26-4.00 –Very Useful

The results show that AIS is highly valued as an ancillary tool (3.38, "Very Useful"), especially in simplifying work processes (3.52) and taxation (3.42). The lowest rating was given to business valuation support (3.32), indicating potential areas for improvement in using AIS for strategic financial analysis. These findings are consistent with Laksmi et al.

(2019), who highlighted AIS’s role in simplifying budgeting, financial reporting, and auditing.

E. Assurance

TABLE 5: Level of Accounting Information System in terms of Assurance

Assurance	Mean	SD	Interpretation
AIS limits sensitive information to others and protects the overall security of company data	3.39	0.667	Very Useful
AIS provides information that is pertinent, significant, consistent, useful, and up-to-date	3.52	0.570	Very Useful
AIS supplies information useful for producing managerial reports and financial statements	3.58	0.502	Very Useful
Overall (Assurance)	3.50	0.58	Very Useful

Mean Range: 1.00-1.75 –Very Useless, 1.76-2.50 –Useless, 2.51-3.25 –Useful, 3.26-4.00 –Very Useful

AIS was rated as “Very Useful” (3.50) in terms of providing assurance, security, and data accuracy. The highest rating (3.58) was given to AIS’s ability to support financial reporting, highlighting its role in ensuring that financial statements are accurate, reliable, and compliant with accounting standards. These findings are supported by Rani (2014), who emphasized that an effective AIS should not only generate accurate reports but also implement robust security measures to prevent financial fraud and data breaches.

F. Prominence

TABLE 6: Level of Accounting Information System in terms of Prominence

Prominence	Mean	SD	Interpretation
AIS plays a significant part in business nowadays	3.65	0.486	Very Useful
AIS adds value to the organization	3.61	0.495	Very Useful
AIS identifies situations requiring management action	3.55	0.568	Very Useful
The impact of AIS on organizational effectiveness is substantial and favorable	3.68	0.475	Very Useful
Overall (Prominence)	3.62	0.51	Very Useful

Mean Range: 1.00-1.75 –Very Useless, 1.76-2.50 –Useless, 2.51-3.25 –Useful, 3.26-4.00 –Very Useful

The overall mean score for prominence is 3.62, categorizing the system as "Very Useful." The highest-rated statement, "The impact of AIS on organizational effectiveness is substantial and favorable," received a mean score of 3.68, indicating that respondents strongly believe AIS contributes positively to the organization's success. The statement "AIS plays a significant part in business nowadays" also received a high rating of 3.65, reflecting the system's perceived importance in modern business operations. Similarly, Hammour et al. (2017) suggest that implementing AIS in the Gulf countries would enhance the tracking of financial transactions, reporting, and decision support systems, emphasizing the need for staff training to maximize its effectiveness.

G. Overall Summary of Factors

TABLE 7: Overall Summary of Accounting Information System perceived by Government-Owned and Controlled Corporations personnel

H. Factors	Mean	SD	Interpretation
Efficiency	3.48	0.55	Very Useful
Synchronization	3.25	0.73	Useful
Efficacy	3.53	0.59	Very Useful
Work as Ancillary	3.38	0.57	Very Useful
Assurance	3.50	0.58	Very Useful
Prominence	3.62	0.51	Very Useful
Overall	3.46	0.58	Very Useful

Mean Range: 1.00-1.75 –Very Useless, 1.76-2.50 –Useless, 2.51-3.25 –Useful, 3.26-4.00 –Very Useful

The overall mean score for all factors is 3.46, classifying the system as "Very Useful." Among the individual factors, "Prominence" scored the highest with a mean of 3.62, indicating that respondents view AIS as an essential and impactful tool within their organizations. This suggests that AIS plays a significant role in enhancing visibility and importance in financial and organizational processes. The lowest mean score was for "Synchronization" at 3.25, categorized as "Useful," which implies that while AIS is appreciated for its synchronization capabilities, there is room for improvement in ensuring smooth integration across departments. The standard deviations are relatively low, indicating a general consensus among respondents about the usefulness of AIS. These findings align with previous studies in other regions. Research by Kesuma et al. (2017) and Muda et al. (2020) highlights that users in Indonesian state-owned banks and local government banks appreciate AIS for its accuracy, ease of use, and timeliness. However, challenges such as ownership costs, training needs, and resistance to system updates have also been noted (Jordan & Kanakriyeh, 2016). The data in this study emphasize the critical role of AIS in improving internal processes, financial management, and decision-making in GOCCs, making it a vital asset for day-to-day operations and long-term strategic planning.

IV. CONCLUSIONS

The study concluded that Accounting Information Systems (AIS) play an essential role in enhancing financial operations within Government-Owned and Controlled Corporations (GOCCs) in Pagadian City. The system was perceived as highly useful across multiple factors, including efficiency, synchronization, efficacy, work as ancillary, assurance, and prominence. AIS significantly improves decision-making, financial reporting, and data accuracy, streamlining operations and increasing transparency in government financial management.

Despite its benefits, challenges such as system integration difficulties, data security concerns, and varying levels of digital literacy among personnel were identified. The study emphasized that the effectiveness of AIS depends on user competency, system reliability, and continuous improvements to ensure seamless adoption and functionality.

To maximize AIS benefits, GOCCs should invest in regular training programs, enhance security measures, and implement system upgrades. Strengthening AIS adoption will lead to more efficient financial management, improved accountability, and better decision-making in the public sector.

The findings highlight the importance of ongoing system enhancements to fully leverage AIS capabilities in government organizations.

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