

SE OF ARTIFICIAL INTELLIGENCE IN ACCOUNTING: NEGATIVE AND POSITIVE ASPECTS

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In the modern world, technologies developed on the basis of artificial intelligence (AI) have become an integral part of society. Currently, the use of AI has an impact both on the everyday life of a person and on various social, political, and economic aspects on a global scale. The full automation of the accounting system contributed to the fact that the use of AI in this area is very relevant and can open up new development opportunities for the enterprise, increase its competitiveness and profitability. However, when using it in the accounting system, both positive and negative aspects (risks, caveats) should be taken into account [2].

The use of artificial intelligence in the accounting system has a number of positive aspects, which are listed below.

Automation of routine accounting processes and repetitive tasks in accounting (data processing, processing of primary documents, preparation of reports, analysis of financial indicators, etc.), which will make it possible to reduce the time for performing these tasks, increase labor productivity and free up time.

Increasing the level of accuracy of accounting data processing. Thanks to AI's ability to analyze large amounts of information, it is able to detect and correct errors in accounts. In general, this helps to improve the accuracy of calculations and

financial statements, which reduces errors.

Ability to conduct forecasting and analytical work. Algorithms based on AI are able to analyze financial data and help specialists predict future quantitative and qualitative changes in the state of their enterprise, as well as identify alternative options that will allow to achieve the required state of development. Accordingly, on the basis of such analytical data, managers will be able to make more informed management decisions.

The use of AI will make it possible to reduce the costs associated with the automation of accounting processes. This will allow to reduce costs associated with reducing the number of accounting employees (reduce labor costs, reduce dependence on the human factor, reduce energy, water, heating, office costs). In general, this will help save resources.

The use of AI can improve risk management through the detection and identification of potential financial risks. Of course, an early warning of possible problems will enable the company's managers to take timely measures to avoid and prevent risks.

AI will contribute to effective auditing. It can improve the audit process by speeding up the analysis of financial data, identifying inconsistencies, errors and risks, and establishing compliance

with applicable regulatory and legislative acts.

The above-mentioned aspects reveal progressive changes in the accounting system in connection with the use of AI, but at the same time there are a number of disadvantages (cautions) that should be taken into account.

The use of AI in accounting is associated with a lack of flexibility. The AI program may not be sufficiently flexible (fast) in the event that legislative requirements change or new types of operations appear. An AI system can be customized for specific tasks and data types.

Incompleteness of input data and their quality. The level of efficiency of AI work directly depends on the quality and completeness of input data. If inaccurate or incomplete data enters the AI system, incorrect conclusions and decisions are generated. An important point in working with AI is the clarity and clarity of the request, which depends on the quality and accuracy of the expected answer.

The lack of human (accountant) intervention and expert assessment can be limited in AI-based systems. In this case, the importance of human analysis and decision-making is underestimated.

A problematic aspect of AI implementation is the risk associated with data security and privacy. The use of AI in accounting requires the processing of large volumes of data of various types (internal, external). Software developed on the basis of AI processes large arrays of information from Internet resources and at the same time is connected with the accounting program of the enterprise, which makes the entire accounting system of the enterprise vulnerable to cyber attacks. This can increase the risks of

security breaches and leakage of confidential information.

Complexity of AI implementation and support. The implementation of the AI system to increase the level of accounting and analytical work requires the availability of financial resources for such investments (purchase of software with AI technology), as well as personnel training. It also requires the development of the necessary infrastructure and support for the AI system. Therefore, the use of AI-based developments may not be available to all interested enterprises.

Some limitations in the interpretation of the obtained results. Some algorithms of the AI system can create difficulties in interpreting the results for decision-making (for example, when developed on the basis of complex mathematical models).

The risk of complete dependence on AI technologies can be the cause of the risk that may arise in the event of failures or malfunctions in the AI system. This can lead to serious problems (reduced protection, instability in work) regarding the display of information in accounting and the formation of indicators in financial statements. A complete loss of accounting data processing skills by accountants using a non-computer method (manual, mechanized) can lead to dangerous consequences in case of serious failures in AI technologies.

Lack of legal framework for the use of modern AI-based digital technologies in accounting. This requires the development of a number of normative legal acts that will regulate this process. Also, AI is a computer program that also needs to be accounted for.

Currently, the unemployment associated with the use of AI in the world is gaining momentum. «This is especially

true of the US IT sector, where the unemployment rate has risen to 4.3%, which is significantly higher than the national rate of 3.8%. According to the researchers, this indicates a slowdown in the hiring of employees for entry-level positions due to the expansion of AI-

based automation» [1]. Accordingly, such trends will lead to the reduction of employees in the accounting field.

Advantages and disadvantages (cautions) regarding the use of AI in the accounting system are summarized in Figure 1.

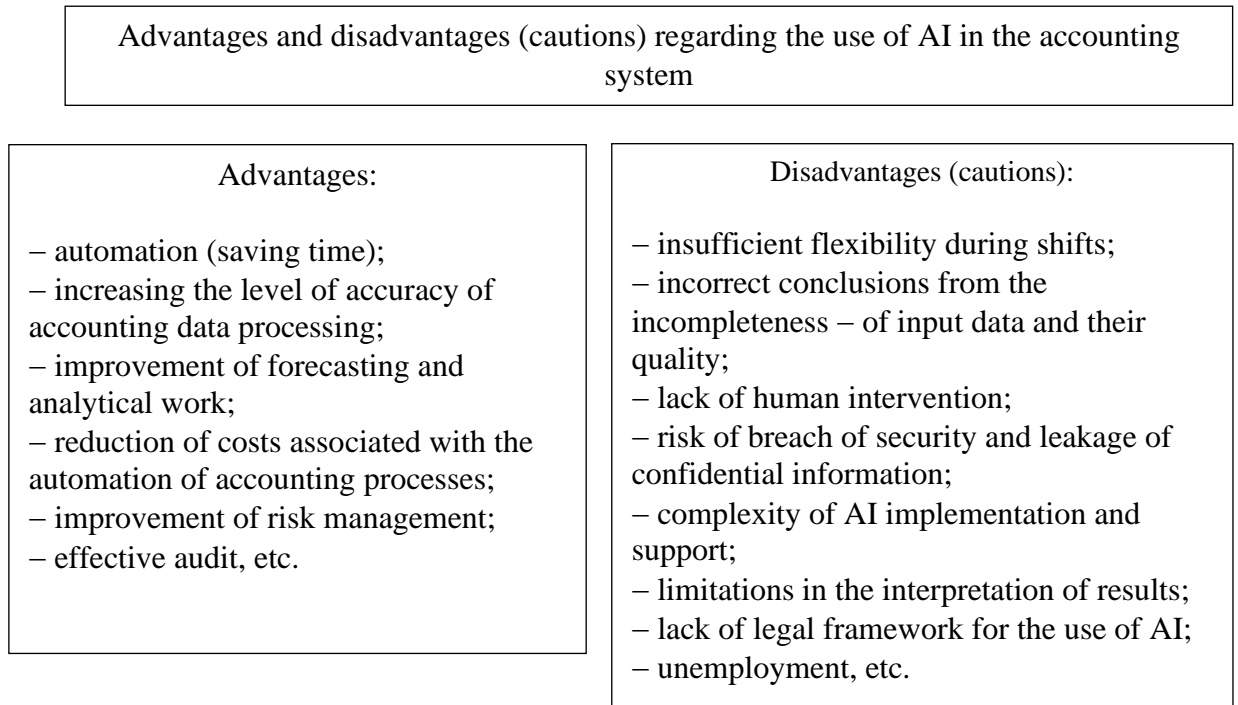


Fig. 1. Advantages and disadvantages of using artificial intelligence in the accounting system

In general, the use of artificial intelligence in accounting is a powerful tool that can improve the efficiency, accuracy and reliability of accounting activities, as well as provide better

financial and risk management in an organization. But the use of AI requires consideration of the dangers associated with its use and management of the risks and limitations associated with its use.

References:

1. Artificial intelligence was called the main reason for the growth of unemployment in the IT sector. URL: <https://noworries.news/shtuchnyj-intelekt-nazvaly-osnovnoyu-prychynoyu-zrostannya-bezrobittya-u-sferi-it/#>
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