Opportunities and Challenges in Implementing AIS Practices: Insights from Boac, Marinduque's Tourism Business

Jenyza B. Dimacali – Rojo, MBA

College of Business and Accountancy, Marinduque State College, **Philippines**

Abstract

This study investigates challenges encountered by tourism enterprises in Boac, Marinduque, during the integration of accounting information systems (AIS) and strategies employed to overcome these problems. Through a qualitative research approach involving interviews with ten tourism-related businesses, the study assesses the efficacy of current AIS and plans for future enhancement. Key hurdles in AIS integration include insufficient training, a lack of technical understanding, and financial barriers.

Regardless of these, businesses deploy diverse methods to mitigate these issues, such as hiring experts, using cloud-based software, and investing in workforce training. Although the current AIS is deemed reasonably efficient, there is a recognized need for development. Initiatives are underway for technology funding, strengthening internal controls, and expert recommendation acquisition.

Findings suggest that with the aid of addressing AIS implementation challenges, tourism businesses in Boac, Marinduque, can enhance their financial reporting, decision-making tactics, and overall performance. The study underscores that human error in financial reporting can extensively impact operations, necessitating measures to reduce related risks.

These insights are crucial for tourism enterprise stakeholders, policymakers, educators, and researchers in Marinduque and comparable tourist locations within the Philippines, contributing to the domains of tourism management, accounting, and information systems.

Keywords: Accounting Information System; Challenges; Financial Data; Hospitality; Tourism Industry

1. Introduction

In recent years, the tourism sector has witnessed considerable global expansion, with destinations such as Marinduque, a picturesque island province in the Philippines, earning increasing recognition for its pristine beaches, historical landmarks, and distinctive cultural offerings. This positive trend underscores the critical role of efficient financial management within the tourism industry, highlighting the essential need for robust accounting information systems (AIS) to enhance operational efficiency and refine decision-making processes.

However, the integration of AIS within the tourism industry faces numerous hurdles, including inadequate training, a deficiency of technical expertise, and the fiscal implications associated with the adoption of advanced technology. Furthermore, human error remains a persistent issue, potentially leading to inaccuracies in financial reporting, subsequently influencing the overall efficacy of tourism enterprises.

Recent studies concerning AIS within the tourism sector have emphasized the need for a more profound understanding of the challenges confronted during the implementation of these systems and the strategies formulated to overcome them (Abdinur & Karcioglu, 2023; Thuan et al., 2022; Elsharif, 2019). Nonetheless, a conspicuous gap persists in the literature, particularly focusing on tourism enterprises in Boac, Marinduque, and there is a conspicuous lack of focus on the impact of human error on financial reporting and decision-making in this context.

The Contingency Theory, which posits that the effectiveness of a management system is dependent upon the unique characteristics of an organization and its environment (Otley, 1980), provides a suitable framework for scrutinizing the distinctive challenges encountered by tourism businesses in Boac, Marinduque. This theory facilitates the identification of factors influencing the adoption and success of AIS in the local tourism sector, in conjunction with potential interventions to mitigate these obstacles.

This study is designed to delve into the challenges faced by tourism enterprises in Boac, Marinduque in the implementation of AIS, as well as the strategies adopted to surmount these barriers. Further, the research aims to probe into the impact of human error on financial reporting and decision-making processes. The primary objective of this research is to enrich the understanding of the difficulties encountered by tourism enterprises in Boac, Marinduque, and propose potential interventions to enhance the effectiveness and accuracy of AIS practices in the area.

In summation, this research aspires to furnish valuable insights for tourism business owners, managers, and professionals in Marinduque, alongside researchers, policymakers, and educators interested in the deployment of accounting information systems in the tourism sector. By addressing the challenges associated with AIS implementation and suggesting potential interventions, this study seeks to enhance the financial performance and overall competitiveness of the tourism sector in Bo/ac, Marinduque.

Objectives of the Study

The primary objective of this study is to explore the challenges and strategies pertinent to the implementation of accounting information systems (AIS) within the tourism sector of Boac, Marinduque. Additionally, it intends to scrutinize the perceptions and techniques of these groups regarding the accuracy, performance, and potential human errors in their economic reporting and selection-making methods.

2. Research Methodology

The methodology used in the study is qualitative research, specifically in-depth interviews and focus group discussions with 10 participants from the tourism industry in Boac, Marinduque

(Creswell & Poth, 2018). Qualitative studies is a technique of inquiry that aims to apprehend human behavior and experience by exploring complex phenomena in context (Tracy, 2019). in this study, the intention is to recognize the demanding situations encountered by tourism businesses in implementing accounting information system (AIS) practices and the way they address these challenges.

The sample selection was non-probabilistic purposive sampling, wherein the researcher selects participants primarily based on unique traits or criteria associated with the study's goals (Gupta et al., 2018). The researcher chose 10 participants who are involved in tourism businesses in Boac, Marinduque, and who have experience in implementing AIS practices.

The statistics had been collected thru in-depth interviews and focus group discussions. In-depth interviews are a type of qualitative data collection approach that permits researchers to obtain exact facts from individuals about their experiences, perceptions, and attitudes (Wa-Mbaleka & Rosario, 2022). The interviews were conducted one-on-one with each participant to gather data on their experiences and perceptions of implementing AIS practices in their businesses. Focus group discussions are a type of qualitative data collection method that involves a group of people discussing a specific topic or issue (George, 2021). The researcher used focus group discussions to facilitate a discussion among the participants about the challenges they face in implementing AIS practices and the solutions they use.

The data were analyzed using thematic analysis, which involves identifying patterns or themes in the data (Braun et al., 2021). The researcher transcribed the interviews and focus group discussions and read thru the transcripts to identify common themes related to the challenges encountered by tourism businesses in implementing AIS practices and the way they deal with those challenges.

The study has numerous obstacles that could have an impact on the generalizability of the findings. First, the sample size is small, and the study was achieved in a specific geographic location (Flick, 2022). second, the study relies on self-stated data from individuals, which is probably subject to bias or social desirability (Nikolopoulou, 2022). third, the study did not include a contrast group, making it hard to decide whether or not or not the challenges encountered by tourism businesses in Boac, Marinduque, are unique to this area or similar to the ones confronted by other tourism businesses within the Philippines or other countries.

3. Results and Discussion

The findings and discussions section of this study aims to provide a comprehensive analysis of the challenges faced by tourism businesses in Boac, Marinduque, when implementing accounting information systems (AIS). Furthermore, the section delves into the solutions employed by these businesses to address the identified challenges. By comparing the findings with relevant supporting literature, the discussion will help shed light on the experiences of tourism businesses in the context of AIS adoption and usage. This understanding may contribute to the development of strategies and recommendations that will assist tourism businesses in overcoming these challenges and improving their financial management practices.

Table 1. Challenges and Solutions in Implementing Accounting Information Systems (AIS) in Boac, Marinduque Tourism Businesses

Parti-cipant	Obstacle Faced	Solution Employed	System Type	Perception of Ais Accuracy and Efficiency	Plan: Adopt or Enhance Ais
1	Lack of readily available financial documentation	Informing other employees; following submission procedures	Manual & Computer Based	Positive	Yes
2	Risk of misplacing documents	Routine filing and endorsement of documents	Manual & Computer Based	Positive	Yes
3	Computer system errors	Utilizing technical knowledge to examine and resolve the issue	Manual & Computer Based	Negative	Yes
4	Difficulty navigating the computerized system	Researching and learning system practices	Manual & Computer Based	Positive	Yes
5-9	Human error in financial statements or reports	Meticulously examining and recalculating records	Manual & Computer Based (5-8) Manual only (9)	Positive - (5-7) Negative - (8-9)	Yes - (5-8) No - (9)
10	N/A	N/A	Manual only	Positive	No

This table summarizes the obstacles faced by participants in implementing AIS practices, the solutions they use to address these challenges, the type of system used (manual, computer-based, or both), their perception of system accuracy and efficiency, and their plans to adopt or enhance AIS in the future.

The findings of this study offer valuable insights into the challenges faced by the tourism industry in Boac, Marinduque while implementing Accounting Information System (AIS) practices, as well as the solutions used to address these challenges. In the context of obstacles faced, the study identified several issues such as lack of readily available financial documentation, risk of misplacing documents, computer system errors, difficulty navigating the computerized system, and human errors. These challenges align with the literature on the

adoption of AIS in small businesses, which highlights similar barriers like inadequate financial resources, limited technical expertise, and resistance to change (Odeh, 2019; Lutfi et al., 2022).

In terms of solutions employed, participants used various strategies to address the identified obstacles. For instance, to overcome the lack of readily available financial documentation, participants informed other employees and ensured adherence to submission procedures. This practice is supported by the findings of a study by Al-Okaily et al. (2020), which emphasizes the importance of employee training and coordination in the successful implementation of AIS. Moreover, to minimize the risk of misplacing documents, routine filing and endorsement of documents were employed, which is corroborated by research on the importance of proper documentation management in AIS (Kokina & Blanchette, 2020).

Regarding participants' perception of system accuracy and efficiency, most participants in this study viewed their current AIS as accurate and efficient, while a minority considered their systems prone to errors and in need of improvement. This finding is consistent with the literature on the varying levels of satisfaction with AIS among small businesses (Lutfi, 2022). Additionally, the study highlights the need for improved computer literacy among some participants, which is a crucial factor in the successful adoption of AIS (Lutfi et al., 2022).

The majority of participants in this study expressed their intention to adopt a computerized AIS or enhance their current system in the future. This finding corresponds with the growing trend of digitalization and the adoption of computerized AIS in small and medium-sized businesses (SMEs) worldwide (Faccia et al., 2019). However, a minority of participants showed resistance to change, preferring manual systems due to their familiarity and ease of use. This finding supports the literature on the influence of personal factors, such as individual preferences and resistance to change, on the adoption of AIS (Thuan et al., 2022).

In conclusion, the findings of this study contribute to the understanding of the challenges faced by tourism businesses in Boac, Marinduque while implementing AIS practices and the solutions employed to address these challenges. The findings align with existing literature on AIS adoption in small businesses, highlighting the importance of addressing technical and human-related barriers to ensure successful AIS implementation. Future research could focus on identifying additional factors that influence the adoption of AIS in tourism businesses and exploring the impact of AIS on business performance.

4. Conclusion

In conclusion, the qualitative data analysis of the challenges faced by the tourism industry in Boac, Marinduque, in implementing accounting information system (AIS) practices, their solutions, and their perceptions of their current systems, reveals a strong connection with the relevant theories presented earlier in the study. The findings are consistent with the literature on the challenges and benefits of implementing computerized AIS in various industries. (Robalo & Moreira, 2020; Lee, 2021; Turetken et al., 2019; Nasution et al., 2020)

The challenges related to the lack of readily available financial documentation, risk of misplacing documents, computer system errors, navigating computerized systems, and human errors can be connected to the theories on the importance of accuracy, efficiency, and change

management in accounting systems (Lee, 2021). The solutions identified by the participants, such as informing other employees involved in the process, routine filing and endorsement of documents, learning and familiarizing oneself with the system, and upgrading accounting systems, align with the theories on innovation adoption in organizations (Lee, 2021).

Moreover, the participants' perceptions of the accuracy and efficiency of their current accounting systems and their plans to adopt computerized AIS in the future demonstrate an awareness of the advantages of using computerized accounting systems, as supported by the literature (Abdinur & Karcioglu, 2023; Nasution et al., 2020). This finding suggests that the tourism industry in Boac, Marinduque, is ready to embrace the necessary changes to improve their accounting systems' efficiency and accuracy.

The study's findings contribute to a deeper understanding of the issues faced by tourism businesses in implementing effective and efficient AIS practices and provide valuable insights for future research and practice. By connecting the findings to the relevant theories, the study highlights the importance of addressing the challenges and adopting innovative solutions to enhance the accounting systems in the tourism industry. This can ultimately lead to improved financial management, increased transparency, and overall business growth for the tourism sector in Boac, Marinduque, and beyond.

4.1. Limitation and Recommendation

The limitations of the study include a small sample size of only ten individuals from the tourism enterprise in Boac, Marinduque, which limits the generalizability of the findings to different tourism businesses and geographic locations. Future research should consider a larger and more diverse sample to explore the challenges and solutions related to implementing AIS practices in various tourism businesses. additionally, the study's findings are based on the self-reported experiences and perceptions of the individuals, which can be subject to bias or social desirability. future studies ought to contain other data sources, which includes observations, document evaluation, or triangulation, to validate the participants' accounts and offer a more comprehensive understanding of the challenges faced by tourism businesses in implementing AIS practices. Furthermore, this study did not include a comparison group, making it difficult to determine whether the challenges encountered by tourism businesses in Boac, Marinduque, are unique to this location or similar to those faced by other tourism businesses in the Philippines or other countries. Future research should incorporate a comparative analysis of different locations to identify similarities and differences in AIS implementation challenges and solutions.

In light of the study's findings and limitations, several suggestions and recommendations can be made. A realistic work plan to address the challenges faced by the tourism industry in Boac, Marinduque when implementing AIS practices can be organized into the following steps:

PHASE	DURATION	ACTIVITIES
1. Assessment and Planning	1-3 months	• Conduct a comprehensive assessment of current AIS practices and challenges. • Identify pressing needs and areas for improvement. • Develop an implementation plan with budget and timeline estimates.
2. Capacity Building and Training	4-6 months	• Organize and deliver targeted training programs and workshops for employees. • Provide ongoing technical support and guidance. • Foster a culture of knowledge-sharing and collaboration among tourism businesses.
3. Implementation of Interventions	7-12 months	• Invest in a centralized and secure document management system. • Implement robust backup and recovery plans. • Enhance internal controls and processes to minimize human error. • Seek professional guidance for AIS implementation, improvement, and troubleshooting.
4. Monitoring and Evaluation	13-18 months	• Continuously monitor progress and impact of implemented interventions. • Conduct regular evaluations to identify areas for further improvement and adjustment. • Share results of monitoring and evaluation process with stakeholders.
5. Government Support and Advocacy	Ongoing	• Engage with local and national government agencies to advocate for support and incentives. • Pursue grants, subsidies, and other forms of support for training programs and technology upgrades.

References

1) Abdinur, M. A., & Karcioglu, R. (2023). Factors Affecting the Adoption of Accounting Information System in Small Medium Enterprises in Somalia. International Journal of Academic Research in Accounting Finance and Management Sciences, 13(1), 47–65.
2) Al-Okaily, A., Al-Okaily, M., Shiyyab, F., & Masadah, W. (2020). Accounting information system effectiveness from an organizational perspective. Management Science Letters, 10(16), 3991-4000.

3) Braun, V., Clarke, V., Boulton, E., Davey, L., & McEvoy, C. (2021). The online survey as a qualitative research tool. International Journal of Social Research Methodology, 24(6), 641-654.

4) Creswell, J. W., & Poth, C. N. (2018). Qualitative inquiry and research design: Choosing among five approaches. Sage Publications

5) Elsharif, T. A. (2019). The Elements of Accounting Information Systems and the Impact of Their Use on the Relevance of Financial Information in Wahda Bank—Benghazi, Libya. Open Journal of Business and Management, 07(03), 1429–1450. https://doi.org/10.4236/ojbm.2019.73098

6) Faccia, A., Mosteanu, N. R., Fahed, M., & Capitanio, F. (2019, August). Accounting information systems and ERP in the UAE: an assessment of the current and future challenges to handle big data. In Proceedings of the 2019 3rd International Conference on Cloud and Big Data Computing (pp. 90-94).

7) Flick, U. (Ed.). (2022, October 6). The SAGE Handbook of Qualitative Research Design.

8) George, T. (2021, December 10). What Is a Focus Group? | Step-by-Step Guide & Examples. Scribbr. https://www.scribbr.com/methodology/focus-group/

9) Gupta, M., Shaheen, M., & Reddy, K. P. (Eds.). (2018, July 30). Qualitative Techniques for Workplace Data Analysis. https://doi.org/10.4018/978-1-5225-5366-3.ch001

10) Kokina, J., & Blanchette, S. (2019). Early evidence of digital labor in accounting: Innovation with Robotic Process Automation. International Journal of Accounting Information Systems, 35, 100431.

11) Lee, J. W. (2021, December 17). Diffusion of innovations. Encyclopedia of Sport Management, 137–138. https://doi.org/10.4337/9781800883284.diffusion.of.innovations

12) Lutfi, A. (2022). Factors Influencing the Continuance Intention to Use Accounting Information System in Jordanian SMEs from the Perspectives of UTAUT: Top Management Support and Self-Efficacy as Predictor Factors. Economies, 10(4), 75.

13) Lutfi, A., Alshira'h, A. F., Alshirah, M. H., Al-Okaily, M., Alqudah, H., Saad, M., ... & Abdelmaksoud, O. (2022). Antecedents and impacts of enterprise resource planning system Adoption among Jordanian SMEs. Sustainability, 14(6), 3508.

14) Nasution, M. I., Fahmi, M., Jufrizen, Muslih, & Prayogi, M. A. (2020, March 1). The Quality of Small and Medium Enterprises Performance Using the Structural Equation Model-Part Least Square (SEM-PLS). Journal of Physics: Conference Series, 1477(5), 052052. https://doi.org/10.1088/1742-6596/1477/5/052052

15) Nikolopoulou, K. (2022, June 24). What Is Social Desirability Bias? | Definition & Examples. Scribbr. https://www.scribbr.com/research-bias/social-desirability-bias/

16) Odeh, M. H. (2019). Factors affecting the adoption of financial information systems based on UTAUT model. International Journal of Academic Research in Accounting, Finance and Management Sciences, 9(2), 108-116.

17) Otley, D. T. (1980, January). The contingency theory of management accounting: Achievement and prognosis. Accounting, Organizations and Society, 5(4), 413–428. https://doi.org/10.1016/0361-3682(80)90040-9

18) Robalo, R. C., & Moreira, J. A. (2020, December). The influence of power strategies in AIS implementation processes. International Journal of Accounting Information Systems, 39, 100487. https://doi.org/10.1016/j.accinf.2020.100487

19) Thuan, P. Q., Khuong, N. V., Anh, N. D. C., Hanh, N. T. X., Thi, V. H. A., Tram, T. N. B., & Han, C. G. (2022, April 1). The Determinants of the Usage of Accounting Information Systems toward Operational Efficiency in Industrial Revolution 4.0: Evidence from an Emerging Economy. Economies, 10(4), 83. https://doi.org/10.3390/economies10040083

20) Tracy, S. J. (2019, August 5). Qualitative Research Methods: Collecting Evidence, Crafting Analysis, Communicating Impact. Wiley-Blackwell.

21) Turetken, O., Jethefer, S., & Ozkan, B. (2019, December 12). Internal audit effectiveness: operationalization and influencing factors. Managerial Auditing Journal, 35(2), 238–271. https://doi.org/10.1108/maj-08-2018-1980

22) Wa-Mbaleka, S., & Rosario, A. (Eds.). (2022, July 19). The SAGE Handbook of Qualitative Research in the Asian Context.