

Book Review

Accounting Information Systems 3rd edition by Ulrich J. Gelinas and Allan E. Oram, South-Western College Publishing, 1996, pp. 958. Reviewed by Professor Curt Westbrook, (curtw@wiley.csusb.edu), California State University San Bernardino.

This very popular textbook is written from the standpoint of accounting information systems (AIS) as integral to the support of operations in a business. Some of the other AIS texts focus on an AIS as supporter of management decision making. Of course, any text or any course in accounting information systems must stress both of these attributes. Those instructors who believe that an AIS supports operations first and foremost should find this text to their liking.

In an early introductory chapter and in all of the six chapters that address transaction processing subsystems, the text spells out differences between *horizontal* and *vertical* data or information flows. The horizontal flows are such things as sales orders, pick tickets, shipping documents and the like, all necessary to support the essential operational activities of a firm. Vertical data flows are summaries of transactions to be passed up from lower to higher levels in the organization to support management decision-making. Budgets passed from high to low in organizations are also vertical flows used to communicate management expectations.

The authors do a good job of weaving technology discussions into the text material. Rather than just present a chapter or two on technological advancements, the authors write about technology as part of an application that is being presented. For example, the description of on-line, real-time computer processing is introduced as an appropriate processing mode for order entry activities. They also present Technology Summaries (narrative descriptions), Tech-

nology Applications (examples), and Technology Excerpts (quotations from articles), all in "sidebar" format.


There is a strong focus on systems documentation using data flow diagrams and system flowcharts. A long explanatory chapter presents principles of data flow diagramming and system flowcharting. The chapter has several case studies at the end and many problems and exercises from which the instructor may choose to reinforce what the students have learned regarding documentation. A sound grounding in systems documentation is most important because the text presentation of transaction processing subsystems, later in the text, makes use of data flow diagrams and systems flowcharts to present and explain those subsystems.

Controls are presented comprehensively apart from the transaction systems that must be controlled. Three rather overlong chapters present controls in general using the AICPA view of the internal control structure with updated concepts from the Committee of Sponsoring Organizations of the Treadway Commission (COSO) report. A clever presentation mode called a control matrix, borrowed (with attribution) from one of the international CPA firms, makes the study of controls less tedious and permits the students to organize their thinking about controls.

The six major transaction processing subsystems: Order Entry/Sales, Billing/Accounts Receivable/Cash Receipts, Purchasing/Accounts Payable/Cash Disbursements, Inventory, Human Resources Management, and General Ledger/

Financial Reporting are presented in separate chapters in sufficient detail. Good case studies and problem assignments follow the chapters. The chapters are so comprehensive that some instructors may wish to skip one or two or give light coverage to some of them in the interest of time.

Comprehensive coverage is also given to Systems Analysis and Design. The five chapters that introduce and describe in detail the systems development life cycle have plenty of illustrations and end-of -chapter material. Of particular interest is a case study that carries forward through the four chapters that present the four distinct steps in the systems development life cycle.

While the Gelinas and Oram text is not as encyclopedic as some other AIS texts, or not as theoretical as some texts, it certainly has adequate detail and sound presentation. Pedagogically, it makes good use of chapter abstracts, learning objectives, exhibits, and summaries (termed "epilogues"). Each chapter is followed by a good selection of review questions, discussion questions, and problems. The prose used is not academic nor colloquial. The text material is relatively easy to read and comprehend. Many figures and illustrations help. For instructors in courses that have introductory computer courses as prerequisites who believe that AISs are essential to supporting business operations, this text is a good choice. 

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