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## Comment and Idea Exchange

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# Comment and Idea Exchange

#### A D P COMMENT

Recently I reviewed a series of comments which presented a cross-section of actual experience of companies with automatic data processing equipment.

Many users of automation are entirely happy with what ADP has done for them; many are conditionally so; and a sizeable minority are not at all happy with results obtained.

The comments of the dissatisified users reflect that the shortcomings are not the fault of the equipment manufacturers, but of improper planning, faulty systems, selection of unsuitable equipment— and most often a too hasty decision on the part of management through overzealous selling of data processing itself.

Automation is a completely new and different concept of office operation. It demands careful and exhaustive investigation and analysis before it can be adopted or rejected.

#### TERMINOLOGY

The field of data-processing appears to require a language all its own-again, a problem of semantics.

For the benefit of those interested in this field, we list definitions of some of the more widely used terms:

- Automatic Data-Processing System—a system that uses minimum manual operations in processing data.
- Electronic Data-Processing System—a machine system capable of receiving, storing, operating on, and recording data without the intermediate use of tabulating cards, and which also possesses: (1) the ability to store internally at least some instructions for data-processing operations, and (2) the means for locating and controlling access to data stored internally.
- Integrated Data-Processing—a system designed as a whole so that data is recorded at the point of origin in a form suitable for subsequent processing without any human copying.
- Batch Processing—collection of data over a period of time to be sorted and processed as a group during a particular machine run.
- Capital-to-Labor-Ratio—ratio of the dollar value of data-processing equipment to the number of people performing various functions related to data-processing. Expressed in units of dollars per person.

- *Bus*-a path over which information is transferred from any of several sources to any of several destinations.
- *Channel*-a path along which data, particularly a series of digits or characters, may flow or be stored.
- *Input*—the process of introducing data into the internal storage of the computer.
- *Output*—the process of transferring data from internal storage of a computer to some other storage device.
- *Transceiver*—equipment for card-to-card transmission by way of telephone or telegraph wires.
- *Program*—a plan for the automatic solution of a problem. A complete program includes plans for the transcription of data, coding for the computer, and plans for the absorption of the results into the system.
- *Routine*—a set of coded instructions arranged in proper sequence to direct the computer to perform a desired operation or series of operations.
- *In-line processing*—the processing of data without sorting or any other prior treatment other than storage.
- *Converter*—a device for transferring data from one storage medium to another; for example, a punched-card to magnetic-tape converter.
- Storage-a device capable of receiving data, retaining them for an indefinite period of time, and supplying them upon command.

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I was particularly pleased with Jeanne F. Etienne's article in the August issue "Data Processing in a Small Business." Too many accountants and companies have felt that data processing was strictly for the "big" firms and haven't bothered to investigate and find equipment well utilized by small businesses.

#### SPREADING THE WORKLOAD

Transferring accounts receivable balances to customers' statements as the accounts become active for the first time during the month, instead of transferring all balances at the beginning of the month has the advantage of spreading the work throughout the month. This of course requires that a review be made at month end to pick up any accounts on which there was no current activity.

Mildred Swem, Los Angeles