

CONSIDERATIONS ON THE PERCEPTION OF ACCOUNTING PROFESSIONALS ON THE FUTURE OF ACCOUNTING IN THE DIGITAL ECONOMY

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ABSTRACT: *This article discusses a set of issues regarding the future of the accounting profession in the context of the digital economy. The new economy comes with opportunities and challenges. Accounting professionals need to know ways to capitalize on the opportunities and minimize the challenges generated by the digital economy. They have to show agility, responsiveness and opportunity. It is impossible to predict the future, but it is possible to anticipate the evolution of the accounting profession in the future. An important factor of the accounting profession in the future will be the creation of added value related to the services provided. The creation of added value will be achieved through the use and implementation of digital technologies related to the current economy. The focus of the paper falls on a case study regarding the perception of accounting professionals regarding the future of the accounting profession in the digital economy. The research results show that the accounting profession is influenced by the level of digitization of the economic environment, but not dominated by information technology.*

KEY WORDS: *accounting profession, digital economy, information technology, professional judgment, the future of accounting.*

JEL CLASSIFICATIONS: *M41, O33.*

1. INTRODUCTION

The accounting profession has always influenced the environment in which it operates, namely the economic one (Pătrașcu, 2017). In Romania, professional accountants represent the main reliable support that economic entities use in the decision-making process. Knowledge of accounting techniques, legislative and fiscal

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aspects and knowledge of economic-financial analysis is losing ground to knowledge of the use, implementation and exploitation of new advanced information technologies (CECCAR, 2019).

Digital services have become part of the daily routine of business and have triggered revolutionary changes in accounting. At the moment, digital economy is a topic of great interest. Information technology, digitization, automation, robotics, artificial intelligence and blockchain technology will strengthen the role of the accountant and the entire financial industry because by eliminating manual data entry, the speed, the quality and the accuracy of data will improve.

Today, we are witnessing the transformation of accounting professionals from people of numbers to actors of the business environment with a resonant role in consulting, analysis, strategic business planning, accounting software design and control and evaluation of this software (CECCAR, 2019).

2. LITERATURE REVIEW

Șova (2016) believes that new technologies "can help professional accountants to better fulfill their duties towards the client and add more value to savings and the public interest". At the National Conference of CECCAR on March 30th, 2019, Toma believes that technology "is an immediate, present challenge that can transform businesses, markets, professions and mentalities". While, Kirtley, at the 21st Congress of the Accounting Profession on September 23-24, 2016, is of the opinion that "technology is a natural partner for the accounting profession to assist in strategic problem solving and risk management ". During the same conference, Șova (2019) emphasized that "software will never be able to replace human judgement, but it will increasingly take over repetitive activity".

The European Commission, in the report on Digital Economy and Society Index (DESI) Romania, 2020 mentions that, at national level, efforts are being made to develop advanced digital technologies, such as: blockchain technology, quantum technology and artificial intelligence. Components of artificial intelligence are already implemented in certain ERP systems in order to predict certain transactions and report on the near future based on a large volume of information. Thus, the role of accountants is changing in response to new capabilities in data analysis, as they combine a high level of computation with a strong business awareness.

Olaru (2021) believes that scientific research on the areas of use of advanced digital technologies in accounting is in its infancy. Groșanu (2020), in an analysis regarding the incorporation of Big Data technology in the accounting profession, emphasized that accounting professionals do not keep up with the current economy, and the future of accounting will be decided according to the choices of professionals, who are at opposite poles, either " traditional paradigm", or "promoting the future".

Based on the analyses undertaken in a research study elaborated by David and Cernușca (2020), it was concluded that professional accountants "will have to increasingly shift their activity towards the online environment, improve their IT skills and come supporting their clients with relevant analyses to help them increase their profitability".

3. RESEARCH METHODOLOGY

The main objective of the research is to study the perception of accounting professionals regarding the future of the accounting profession in the digital economy. The research falls under the category of quantitative research. The method used is a sample survey and the research technique is a questionnaire. The research period was March-May 2022. The questionnaire was designed from sixteen questions and was distributed to 70 accounting professionals from Hunedoara county, of which 55 accounting professionals responded.

The questionnaire contains two categories of questions:

- general questions in order to determine the personal profile of the accounting professionals in the sample, and
- questions on respondents' perception of the future of the accounting profession in the digital economy.

The research is based on the hypotheses, which were formulated as follows :

I₁ - "The accounting profession is influenced by the level of digitization of the economic environment."

I₂ - "Information technology can replace professional reasoning."

I₃ - "The accounting profession in Romania has a future only to the extent that it responds, in a real way, to the challenges and opportunities generated by the digital revolution."

The structure of respondents to the questionnaire, depending on the age category, is presented as follows:

- professional accountants aged between 18 and 29: 13 people;
- professional accountants aged between 30 and 49: 24 people;
- professional accountants aged between 50 and 64: 17 people;
- accounting professionals aged over 65: 1 person.

The most significant proportion of the sample investigated, in terms of the qualifications held by the respondents, was made up of people with a degree in Economics, approximately 87.27%. A diversified structure of the sample is presented from the point of view of the functions held by the professional accountants who responded. The following positions were significantly highlighted: data entry, validation and processing operator, economist, PhD economist-teaching staff, accountant, chief accountant and administrator, accounting for 80% of the investigated sample.

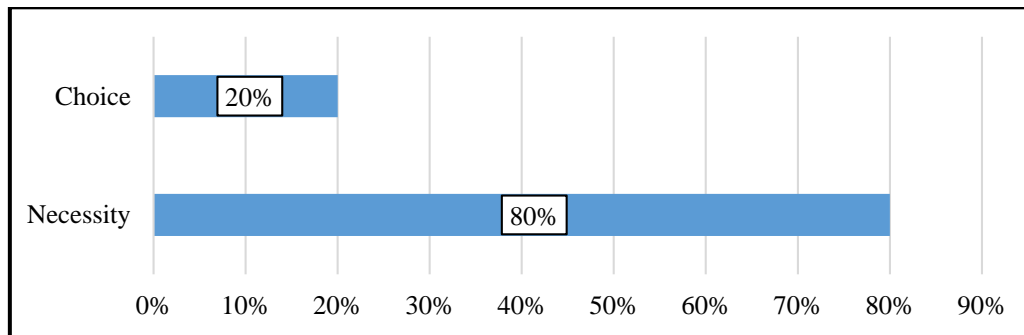
The respondents of the investigated sample work in various fields, such as: production/ industry (12 people), education (11 people), retail sales (9 people), services (9 people), finance/insurance (5 people) and others (9 people).

The respondents of the questionnaire stand out for their vast and diversified experience in the field. The majority have more than 10 years of experience, the sample being structured as follows: experience between 0 to 3 years (7 people), experience between 3 and 5 years (7 people), experience between 5 and 10 years (7 people), experience between 10 and 25 years (17 people) and experience over 25 years (17 people).

4. RESEARCH RESULTS

The interviewees were asked to answer the following questions:

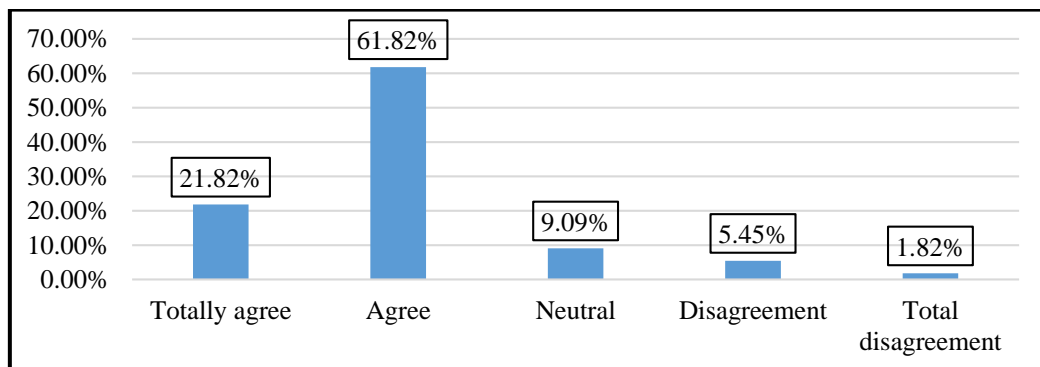
I₁ - "Is the digitization of the profession a necessity or a choice?"



Source: Own elaboration based on the answers from the questionnaires

Choice is the selection decision in favor of someone or something, and necessity refers to what is required to be done. A share of 80% of respondents see the digitization of the accounting profession as a necessity, not a choice, which would require an anticipation on the part of the professionals. This necessity was pronounced in Romania, but also globally, by the health pandemic, which imposed social restrictions, in order to limit infection with the COVID-19 virus.

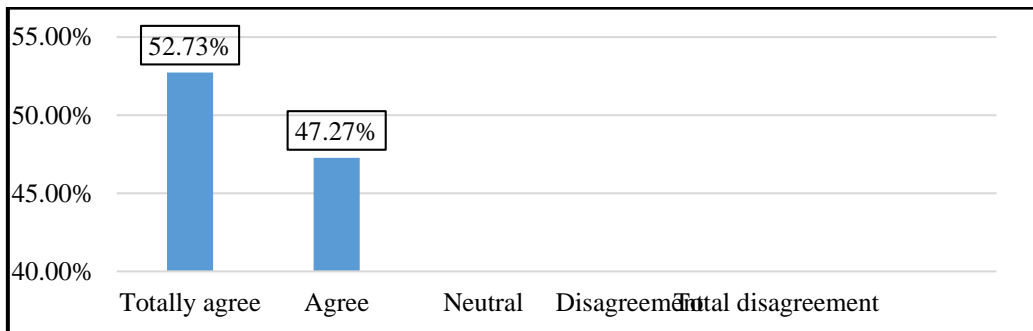
I₂ - "Are developments in the field of information technology and digitization creating the conditions for updating and changing the accounting profession?"



Source: Own elaboration based on the answers from the questionnaires

The majority of respondents agree that developments in the field of information technology and digitization create the conditions for updating and changing the accounting profession, with 61.82% of respondents agreeing and 21.82% totally agreeing with the statement. Only 1.82% of respondents strongly disagree with the statement and 9.09% of respondents have a neutral opinion about this statement.

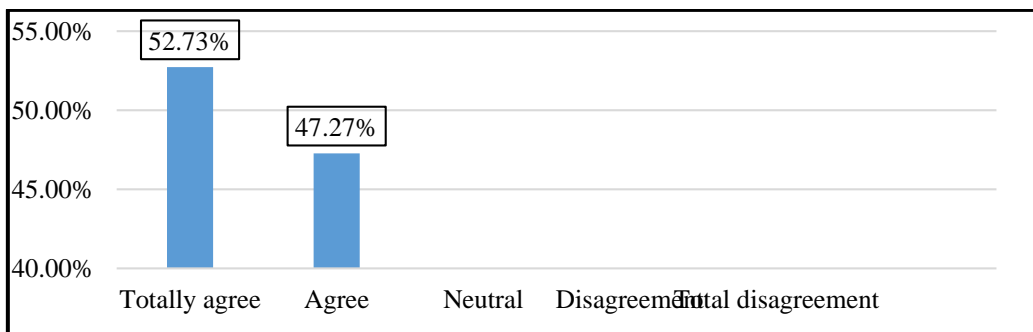
I₃ - "Do accounting employees have to constantly improve their professional knowledge in order to remain competitive at work?"



Source: Own elaboration based on the answers from the questionnaires

The people surveyed are of the opinion that it is opportune to permanently improve professional knowledge in order to remain competitive at work because the economic environment evolves and new trends appear. Thus, the accounting profession requires new knowledge and skills generated by the digitalization context. Information technology knowledge is being learned, deepened and researched, which is a motivation for accounting professionals to improve their knowledge and skills in the workplace.

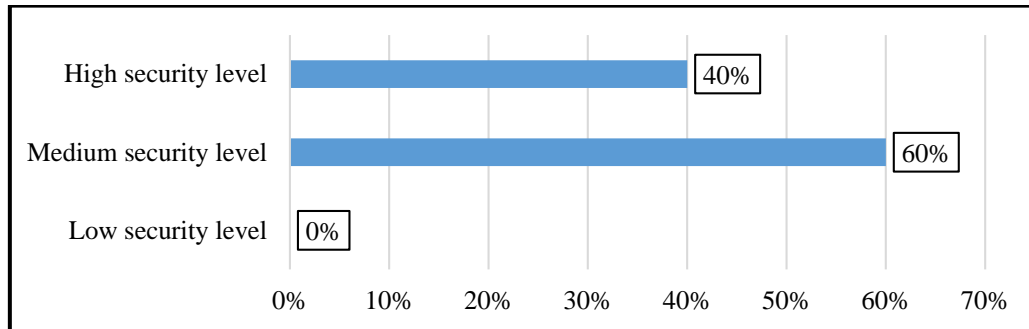
I₄ - "Are computer programs able to recognize transactions without human intervention?"



Source: Own elaboration based on the answers from the questionnaires

45.45% of respondents believe that computer programs are not capable of recognizing economic transactions without human intervention and 12.73% of respondents totally disagree with the statement. Only 18.18% support the fact that computer programs are able to recognize transactions without human intervention. Due to the fact that we are at a stage of implementing information technologies in the economic environment, 21.82% answered neutrally to this question, not being aware of such situations, but not excluding their implementation.

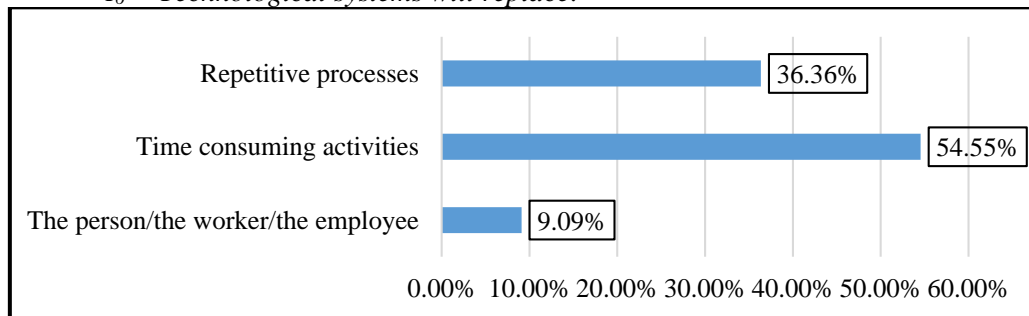
I₅ - "What level of information security does the computer programs you use offer?"



Source: Own elaboration based on the answers from the questionnaires

Among professionals, 60% admit that they have an average level of security and 40% - a high level of security. Exposure of high-security applications to cyber-attack is not excluded. These have become increasingly common due to the high degree of exploitation of the information that entities generate. The answers to this question describe the degree of confidence of accounting professionals in the computer applications used.

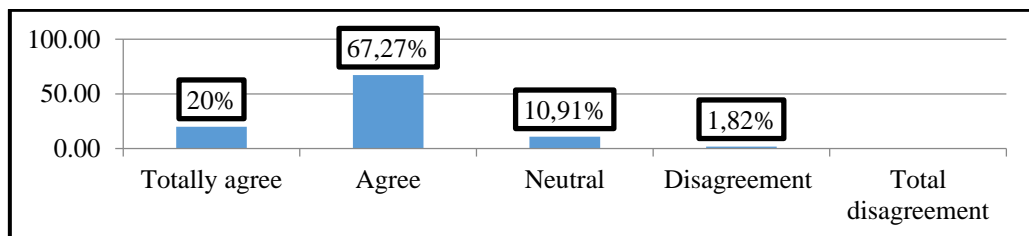
I₆ - "Technological systems will replace:"



Source: Own elaboration based on the answers from the questionnaires

The majority of respondents, 54.55%, believe that technological systems will replace time-consuming activities, 36.36% of respondents believe that technological systems will replace repetitive processes and only 9.09% believe that in the future the employee will be replaced. Those who believe that technological systems will replace the person, see the future as a threat to the human race.

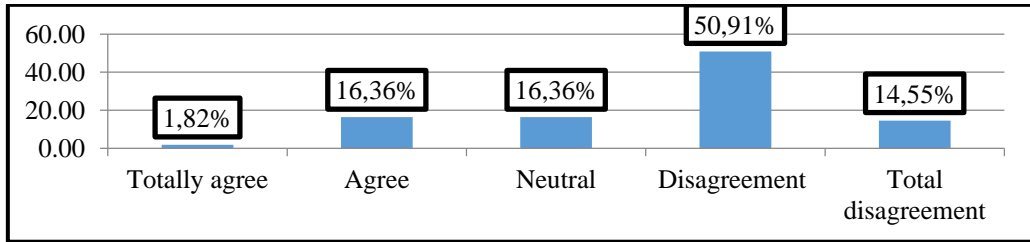
I₇ - "Will the future accountant develop analytical thinking and be able to interpret data processed by computer programs?"



Source: Own elaboration based on the answers from the questionnaires

The majority of respondents believe that the future accountant will develop analytical thinking, being able to interpret data processed by computer programs, 67.27% agree, and 20% totally agree.

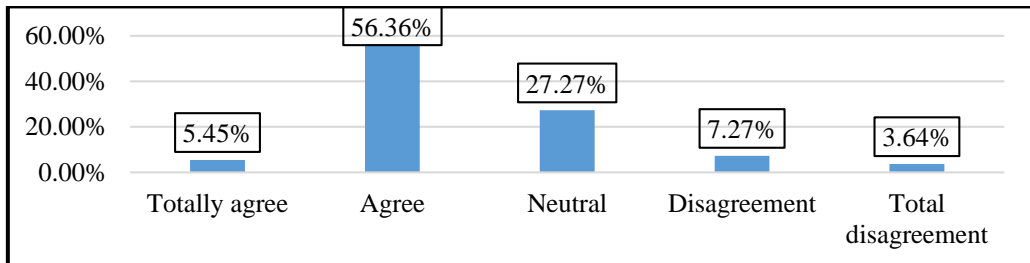
I₈ - "In the near future, will many of the skills/skills/competencies that professional accountants acquire today be irrelevant in the workplace?"



Source: Own elaboration based on the answers from the questionnaires

More than 50% of the respondents believe that many of the habits/skills/competencies that accounting professionals acquire today will remain relevant in the near future, as errors creep in from the first stage of data collection, and throughout data analysis and processing, they distort the result. At the same time, 16.36% of the respondents disagree with the question asked.

I₉ - "Will the future of the accounting profession be limited to the field of consulting and accounting engineering?"



Source: Own elaboration based on the answers from the questionnaires

More than 60% of the respondents agree that the future of the accounting profession will be confined to the field of consulting and accounting engineering. An accounting engineer is a person who can adapt to technological developments and actively use technological products in professional practices.

I₁₀ - "What is your opinion regarding the digitization of the accounting profession?"

Here are some responses received from respondents:

- "Digitization is necessary and welcome, provided that data security conditions and the necessary processing, storage, transfer and archiving capabilities are ensured."

- " The accountant who adapts to the change will stay, while the accountant who does not keep up will leave the market. "
- "The accounting profession is necessary for the future. Without the interpretation of the economic phenomena that take place in an activity, correct and informed decisions cannot be made. Accounting results can only be read by those with specialized economic training. Digitization is necessary, but without accountants it is impossible."
- " Digitalization is the new reality. As an accountant, change was predictable. The changes that will take place within the profession are to be anticipated by any accounting professional. Digitization should be seen as a method of simplifying certain accounting operations. Acceptance of this stage means the success of the professional."
- "It is not possible without an employee/a person to check the documents behind the digitization. Programs for the digitization of this profession may produce errors."

5. CONCLUSION

The accounting profession is constantly updating itself. Currently, accounting ensures the success of recording and analyzing the economic activity of an organization only if the accounting professional knows how to use new information technologies.

The majority of accounting professionals from Hunedoara county claim that developments in the field of information technology and digitization create the prerequisites for updating and changing the accounting profession. These changes in the accounting profession come with the requirement to constantly improve professional knowledge in order to remain competitive in the workplace. Skills in using advanced digital technologies such as the Internet, intranet, email, social media, Cloud Accounting, Big Data and others have become indispensable for professional accountants in the workplace. The research results reflect the fact that information technologies are not able to replace professional judgment. Mere mechanical calculations and records remain dominated by human professional reasoning.

The professional accountant in the future will be relieved of performing repetitive, routine, non-creative work of added value, instead he/she will acquire increased responsibilities in consulting, analysis, forecasting activities, in the field of company management and financial management- accountant. As a result, for the accounting profession to become proactive, it must continuously adapt to the demands imposed by the advancement of today's technologies.

Following the answers received, the first and third hypotheses were validated, and the second hypothesis was invalidated. Based on the results obtained from the research carried out, we can conclude the following:

- ✓ *the accounting profession is influenced by the level of digitization of the economic environment;*
- ✓ *information technology cannot replace professional judgment;*

- ✓ *the accounting profession in Romania has a future only to the extent that it responds, in a real way, to the challenges and opportunities generated by the digital revolution.*

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