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**The impact of digitalization on the  
transformation of the accounting profession**

**Angelina Tjurina, Mg.oec.**

College of Accountancy and Finance

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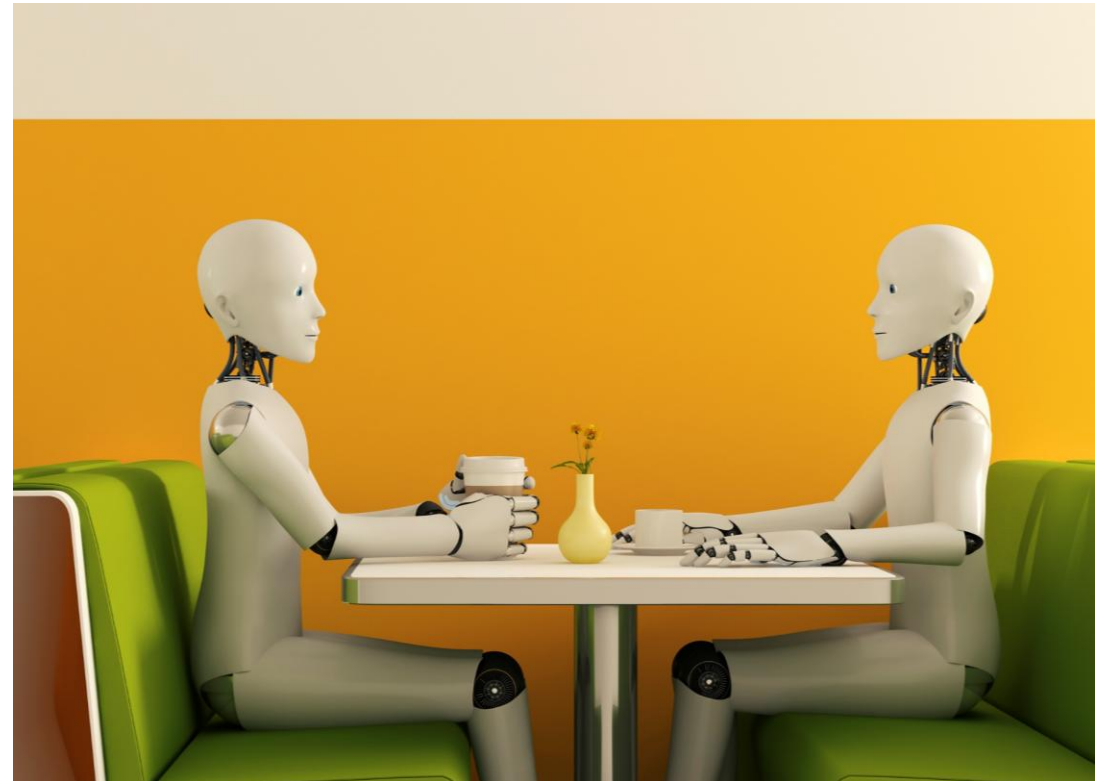
# Will the accounting profession survive in the future?

- The World Economic predicted that about 50% of the labor force will need to improve their skills in the next five years and, even maintaining existing jobs, about 40% of the skills needed to do the job are expected to change within five years.



# Will the accounting profession survive in the future?

- The ability to use digital technologies in work is gradually becoming essential for most specializations and professions.
- The idea that in the near future accountants will be replaced by computers is increasingly expressed in society.



The process of digital transformation that emerged with technological developments shows that in the future approximately 40% of the work of accounting professional will disappear. The work of accounting professionals such as payrolling, bookkeeping and submitting declarations is predicted to be the most affected by the digital transformation process.



Practice Web has conducted research in association with Accountancy Manager to show where accountants really are getting the most out of technology and leading the way for their clients.

➤ As the results of this study demonstrate, digitalization and technology skills should be a priority for everyone working in the accounting sector. This is not surprising as online competition continues to increase.



*A third of SMEs found their accountants online: 10% via search engine, 11% on social media, and 12% through online advertising;*

*58% felt it was very or extremely important to see evidence of expertise on an accountant's website, such as articles;*

*59% wanted to receive communication from their accountant via email, compared to phone calls (48%) and in-person meetings (39%).*



The use of information technology is impossible without a qualified specialist.

The digital economy modernizes the business activities of a company, does not replace the accounting profession, and also simplifies the work of automatically processing large volumes of data.



# How the role of the accountant has changed and continues to change

- Nearly 80% of respondents indicated that accountants must constantly improve their digital competencies, including IT knowledge and skills.
- 66% mentioned that accountants need to follow changing regulations more closely than before,
- 48% highlighted the growing importance of analytical and reporting skills.

The least chosen options were the increasing role of communication skills and teamwork skills.



# Will there be accountants in the future?

So far, machines have not been able to completely replace humans due to the complexity of the work and the volume of tasks that an accountant performs. However, it is likely that over time, it will be necessary to adapt to new conditions and increasing automation, learn something new and expand the range of responsibilities. Machines can indeed make routine actions easier, but human participation will still be required when working with more complex tasks.



The professional accountant of the future will need, in addition to technical capability, a rounded skill set that demonstrates key quotients for success in areas such as experience, intelligence, creativity, digital skills, emotional intelligence and vision.

The accountant will think more, analyze and interpret the data that robots have quickly and accurately collected for him.



# Negative factors of the digital economy



the need for constant professional development of accountants, since it is necessary to master complex computer literacy skills when working with digital systems and information technologies;



there is a risk that many accounting specialists will lose their jobs, since the digitalization of the economy and accounting activities of the enterprise leads to the automation of many business processes, ensuring the need to reduce labor costs in performing accounting tasks;

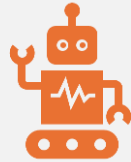


the list of required professional competencies for accounting specialists is increasing, which complicates the training process for future specialists in this field;



high risk of information leakage.

# The main advantages of the digital economy



automation;



the possibility of remote (distance) work;



reduction of paperwork.

# Conclusion

In the digital economy, accounting is becoming not just a method of reflecting certain data, but also an important source of digital information.

We can expect professional accountants to move into increasingly diversified roles in the future, but the fundamental grounding in core financial and business knowledge gained through acquiring a professional accountancy qualification remains as relevant as ever.

THANK YOU

