

Digitalization and Accountants Today

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The development of technology has completely changed the landscape of the world in all areas. In the 18th and 19th centuries, the Industrial Revolution brought major changes in production and transportation, enabling mass manufacturing and global trade. In the 20th century, electronics and computer technology began to develop rapidly, leading to major changes in communications, information, and industry. New technologies include the internet, cloud computing, robotics, artificial intelligence, and synthetic biological technology.

Digitalization is part of the emerging technology. Digitalization is the process of transforming information or activities that were previously manual or analog into a digital form. As part of important modern trends, digitalization offers many benefits such as increases efficiency, capacity, service quality and productivity, reduces cost in data and document management, better data analysis and decision making, improves access to information, facilitation of communication as well as enables online transactions and payments. Given these benefits, various sectors are adopting digital technologies.

In Malaysia, the government has also taken countless initiatives and measures to implement digitalization to ensure that people and businesses keep up with digitalization and catch the wave. One of the biggest initiatives is the Malaysia Digital Economy Blueprint (MyDIGITAL), launched by Malaysia's Prime Minister in February 2019. This initiative is a long-term goal to achieve by 2030 and aims to make Malaysia a nation that is advanced in digital technology and internationally competitive.

A technology transforms the management and business landscape of all sectors and professions at an ever-increasing rate. Accounting profession is no exception in technology revolution. The accounting sector is the area where digitization has taken off and is predicted to continue growing. Similar to many other businesses, the accounting industry sees the need for change through digital technologies. The goal is to achieve efficiency and effectiveness and remain competitive in the job market.

However, technologies are raising concerns that humans may be replaced in the workforce by machines or robots. Today's accountants worry that these could lead to job loss for some workers and require new skills for others. At the time, many industry leaders believed that emerging digital technologies would spell the end for accountants and auditors. Technology takes over the traditional accounting work to be digital accounting. Moreover, some experts claimed that accounting had a bleak future in tomorrow's digital world. In fact, the profession of accountant has evolved far beyond just bookkeeping and payroll and, like its partner, procurement is taking on an increasingly strategic role for forward-looking companies.

Nevertheless, technological innovations and solutions cannot completely replace or override the role of the accountant. Accountants still have a role, for example in understanding technical accounting standards such as Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS), but digitization appears to significantly challenge this role. To remain relevant and competitive in today's market, accountants should take up the challenge to educate themselves with technical knowledge and skills. According to a few studies conducted, digitalization positively affects the work of accountants. The researcher concludes that digitization brings benefits rather than threats, thus accountants should gear up for digitization to sustain their profession in the digital world.

As accountants, they need to survive on technical competence. They can only be successful if they have a good sense of people business development and understand the use of technology. Clearly, today's digitized and complex world requires professionals to extend their skills and competencies not only to the use of technology, but also to the management of professional firms, especially given the rise of multinational companies providing consulting and other services where the employment of "professional managers" is on the rise.