DOI: 10.32602/jafas.2022.032

JOURNAL OF ACCOUNTING, FINANCE AND AUDITING STUDIES

http://www.jafas.org

Emerging Issues In Accounting: A Theoretical Review

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Keywords

Cloud-based Accounting; Automation Accounting; Outsourcing Accounting Functions; Accounting Standards; Forensic Accounting; Value-Based Accounting; Big-data Accounting; Blockchain Technology in Accounting; Artificial Intelligence Accounting; Covid-19 Accounting Practice, Accounting Profession.

Jel Classification

M40, M49.

Paper Type

Research Article

Received

23.08.2022

Revised

15.09.2022

Accepted

22.09.2022

Abstract

Purpose: This is a review that seeks to identify and critically analyze major emerging problems in accounting theory and practice. The paper also describes the benefits and challenges of adopting and applying the key themes. Additionally, this paper strives to recommend some viable solutions on how to address the challenges associated with each emerging problem.

Methodology: Methodology: Several journal articles and other scholarly literature from databases and directories such as Google Scholar, JSTOR, Ebsco Host and ScienceDirect were the main sources of literature on this emerging topic in accounting.

Findings: The survey considers the following as some of the most important emerging issues in accounting and the accounting profession. Cloud-based technology in accounting. automated accounting; outsourcing of accounting functions; Changes in accounting standards. forensic accounting; value-based accounting; big data accounting; blockchain technology in accounting; accounting with artificial intelligence; impact of Covid-19 on accounting practices and accounting professionals.

Originality/Value: This paper is the result of a literature review on emerging accounting issues. This paper provides essential knowledge as business organizations seek to adapt to the new accounting regime. Knowledge and skills acquired by outlining major emerging issues in accounting. This study, through its findings, contributes to key determinants in choosing some of the new methods of performing accounting and financial functions.

1.0 Introduction

Emerging challenges in accounting practice are transforming the day-to-day work of accountants and impacting the professional lives of millions of people around the world. With the speed of technological progress, this phenomenon is becoming more and more prominent. Rapid advances in technology, globalization, easier control over communications over the Internet, and changes in legislation are some of the factors that have contributed to the change (Pazaitis, 2020).

As a result of blockchain technology, there is a need for a new generation of accounting professionals with the necessary skills to function in the new blockchain environment. With the introduction of blockchain, the role of auditors will change, but internal controls will remain. Historically, accountants have been very receptive to new technologies, but the fundamental potential of accounting technology can only be fully realized through a fundamental accounting revolution in philosophy (Belfo, F.P., Trigo , A, 2013).

As a result of blockchain technology, there is a need for a new generation of accounting professionals with the necessary skills to function in the new blockchain environment. With the advent of blockchain, the role of auditors will change, but internal controls will remain. Accountants used to be very receptive to new technologies, but the fundamental potential of accounting technology can only be fully realized through a fundamental accounting revolution in philosophy (Belfo, F.P., Trigo, A, 2013).

Technology is evolving the way accountants serve their clients. Trends like this make accountants' jobs easier, not harder. Technology often allows accountants to do what they do best: provide professional accounting, auditing, and consulting services. Accountants and accounting firms need to understand industry trends and their strengths and weaknesses, both now and in the near future, as these changes take hold (Lombardi, R & Seundo, G, 2020).

2.0 Identifying Key Emergent Issues In Accounting

The main topics covered in this document are: Cloud-based technologies in accounting, automation and accounting skills, changing accounting standards, forensic accounting, big data in accounting, the rise of accounting software solutions, value-based account pricing, AI accounting and blockchain technology in accounting.

2.1 Key Issue Number 1: Cloud-based technology in accounting

Many accounting firms are adopting cloud-based technology to conduct their business online and advise their clients. As cloud-based technologies become more mainstream, businesses must adapt to learning new technologies. Initially, desktop computers were used for accounting. Calculations and accounting are now available on your personal computer using applications such as Peachtree and Microsoft Excel. Intuit improved the process by developing the software products Quicken and Quick Books. In the late 1990s, NetSuite pioneered the concept of cloud-based accounting, where software and data are stored on separate computers. Later, a cloud-based accounting software system was developed by New Zealand company Xero in the early 2000s and also gained significant market share in Australia and New Zealand. Over time, traditional US desktop accounting firms such as Intuit realized the benefits of cloud-based systems and moved to the cloud (Christauskas, C. & Miseviciene, R, 2015).

2.1.1 Benefits Adopting and Application Key Issue

Accounting in the cloud can be used by both small businesses and large enterprises to improve operations. All data is stored on a remote server, not on your personal workstation. The software does not need to be installed on your computer, unlike traditional desktop applications, so it can be accessed from anywhere with an internet connection. The software usually works through her normal web browser.

2.1.2 Challenges/Weaknesses of Adoption of Application

The lack of accounting skills in cloud computing is the first challenge that needs to be addressed. Enterprise administrators today lack the necessary understanding and knowledge of cloud computing. Concerns have been raised about over-reliance on service providers. In particular, since accounting data is stored in the "cloud" and under the control of the supplier, companies cannot take proactive steps to protect the confidentiality of this data. The concept of cloud computing consists of central computers, servers/clients and web applications (Du, BH & Cong, Y. 2016). However, all three s have design-related safety flaws. In the event of a "cloud" attack, data loss or data theft is very likely to occur, negatively impacting the business.

The second challenge is system availability. One of the biggest issues with cloud computing is the risk to business continuity. This problem is explained by the fact that Internet connectivity is a requirement for software that uses cloud computing. Therefore, the use of cloud-based software, especially accounting software, is hampered by potential business disruptions in the event of disconnections or data transfer delays. Additionally, businesses often express concerns about data security and the legal system (Engelbrecht, K., 2013). All corporate data is stored in the cloud, fearing information threats from vendors.

On the other hand, user risks and behavior can also affect an organization's data security. A third issue is uncertainty about the ability of companies to use the service. Businesses that rely on cloud computing environments risk losing access to their services and data if their service provider decides to stop providing them at any point. This can affect your daily work. Companies may not want to move completely to cloud computing for various reasons, such as unstable transmission speeds. For example, if a transmission line develops a problem and suddenly goes down, it is difficult to predict the impact on production.

2.1.3 Addressing the Challenges

Governments should pass legislation and other legislation establishing legally-binding requirements for service providers to ensure the quality, security, and accountability of services provided in the event of a business-impacting occurrence. Regulations need to be enacted. On the other hand, the rules of thumb for cloud computing are needed as powerful accelerators to drive digital transformation through big data and IoT applications. To strengthen internal resources and achieve long-term growth, these policies should give some priority to the development of IT infrastructure, especially broadband connectivity and cloud computing applications.

2.2 Key Issue Number 2: Automation Accounting Skills

Improving existing and new skills is what accountant and business success is all about and ultimately. As automation increases, it becomes increasingly important for accountants to upgrade their skills to keep up with the industry (Rozario, A.M., & Vasarhelyi, M.A, 2018). 29% of all automation is now in accounting. Automation has freed employees from many labor-intensive tasks such as payroll, financial reporting, and auditing.

2.2.1 Benefits Adopting and Application Key issues

Benefits include increased accuracy by eliminating human error associated with manual data entry and improved margins for your business. Attention is also focused on the gap in the technical skills of accountants. Given the virtual nature of accounting today, having a staff with technical and advanced accounting skills is beneficial. Moreover, according to (The mind in the machine: Demis Hassapis on Artificial, 2022), the accuracy of financial data will improve and technology can be used to easily solve the above problems. The same amount of financial data can be viewed much faster than traditional methods. Therefore, AI can be used to detect large numbers of transactions in a short period of time or errors and anomalies such as accounts payable credit balances.

2.2.2 Challenges/Weaknesses of Adoption of Application

One of the downsides of automating accounting skills is that it requires a large investment. Automating the accounting skill involves installing hardware such as highly dexterous robots, devices with sensory perception capabilities, and wheels to enable locomotion, thus requiring significant capital investment. This leads to huge initial costs. However, automation will become more competitive than human labor as costs will decline over time.

Additionally, access to the data is required. Data access is one of the biggest challenges for companies looking to apply automation to many areas. Automated devices require hundreds of thousands of times more information than humans to understand concepts and perceive functions (Sun, T. and Vasarhelyi, M.A., 2017). Small businesses and start-ups may not have sufficient data collection capabilities to drive automated processes.

2.2.3 Addressing the Challenges

Companies need to help accounting professionals by changing the pace of workplace dynamics, especially the adoption of technological advancements and automation of various operational duties and roles.

2.3 Key Issue Number 3: Outsourcing Accounting Functions

Execution of a specific business function from an employee group to a non-employee group. Accounting outsourcing refers to the transfer of part of the accounting function to a third party or wholly-owned subsidiary to reduce costs, tap into skill gaps or gain a competitive edge. To do. Common examples of accounting outsourcing include payroll, general accounting, cash and cash register management, invoice processing, accounts payable outsourcing, and other industry-specific processes. Outsourcing, once a system used only by large organizations, has recently gained new popularity among small businesses (Dolgui, A., & Proth, J., 2013).

2.3.1 Benefits Adopting and Application Key issues

One benefit is improved company focus. Outsourcing helps establish a system in which an outside expert takes responsibility for operational details. This gives management ample free time to focus on more important business issues related to customer service and market demand. Another advantage is that it helps them acquire top-notch skills as it is their specialty.Outsourcing providers bring richer and more detailed capabilities to the business environment.

In addition, outsourcing allows management to pass on certain risks, such as capital expenditures and fluctuations in demand, to suppliers. Corporate resource outsourcing allows organizations to reallocate critical resources from ancillary activities to those that have the greatest impact on business execution. Accessing external providers to control operating costs is therefore a very low cost structure and one of the most compelling reasons for outsourcing.

2.3.2 Challenges/Weaknesses of Adoption of Application

One of the weaknesses of accounting outsourcing is hidden costs. Paid services can lose scope when a task is split into multiple tasks, which can result in additional costs that the accounting firm was not originally aware of (or forgot). Beware of outsourced team aggressiveness. For example, a manager cannot go out into the hallway and ask about every financial event that occurs. Of course, the manager calls her manager to update the account weekly and receive monthly reports, but that requires trust in the outsourcing relationship (Lahiri, 2015). Abandoning bookkeeping can be uncomfortable for business owners. Start with a detailed onboarding process that defines roles, policies and procedures, sets expectations and ensures that communications are timely.

Of course, if you don't get an immediate answer, there is an advantage to having an onsite employee who can answer your questions immediately. Outsourced teams are available, but answers may not be immediate. Restrictions may apply if they are not from the same office. However, a good outsourcing accounting firm should have a good communication policy in place to ensure that their team is available and easy to contact. It's important to weigh your options based on your highest priority, immediate response, or the correct way to get the right answer.

2.3.3 Addressing the Challenges

There is a hidden cost that creeps up when a task is split into multiple tasks that are estimated for the enterprise to plan for. Outsourcing companies must provide customers who use their services with an opportunity for personal interaction at least once a month.

2.4 Key Issue Number 4: Changes in Accounting Standards

Accounting is a dynamic industry due to changing financial standards and policies around the world. The Financial Accounting Standards Board (FASB) publishes updates on changes to accounting standards throughout the year. For example, in 2021 there are several changes related to asset acquisitions, credit losses, leases, indentures, variable interest entities, restructuring, and banking regulatory disclosures. Accountants and businesses must remain alert to such changes to ensure compliance with financial regulations.

2.4.1 Benefits Adopting and Application Key issues

Benefits include: To achieve accounting unity, changes in accounting standards play an efficient role in unifying the entire accounting system. It provides standardized rules and regulations for handling financial transactions and events. Avoid fraud and manipulation. These customization criteria help avoid fraud and mistakes within your organization. Accounting standards provide a complete framework and guidelines that all businesses must follow. All accounting information will be recorded and presented in accordance with the principles provided. This standard makes it very difficult for managers to manipulate facts or commit fraud of any kind (Baudot, 2014).

Increased credibility of financial statements, changes in accounting standards add credibility to financial statements produced by organizations. Adherence to these harmonized standards ensures that all of the company's financial information is presented fairly and truthfully. There are many interest groups that use degrees and adopt them as the basis for various important decisions. Continuously changing standards ensure that all information presented is reliable and leads to correct decisions.

These ongoing changes in accounting standards support auditors, and the revised standards help auditors verify the accuracy of a company's financial statements. Accounting standards contain all accounting rules and regulations to be followed in written form that enable auditors to follow consistent practices. Auditors can easily ensure accounting fairness by ensuring that all guidelines of accounting standards are followed.

Reconciliation promotes comparability. One of the key benefits of accounting standards is that they make it easier to compare companies' financial statements. Comparing performance would be much easier if uniform accounting principles, rules and regulations were mandated for all companies, and this would only be achieved by the dynamic standard.

2.4.2 Challenges/Weaknesses of Adoption of Application

High Costs Another weakness of dynamic accounting standards is their high cost. Adopting conformed accounting standards is too costly for most companies. The company will have to change its entire procedure, upgrade its systems and train its employees accordingly. Organizations need to monitor whether their employees are following the standards correctly. All of these activities entail significant costs to effect change.

Time consuming Another weakness of dynamic accounting rules is that they are time consuming. The implementation of accounting standards requires many steps that must be followed to prepare financial reports. This makes the process of preparing financial statements complicated and time consuming. All the steps for creating a financial report are defined. Accounting Standards include the preparation of income statements, balance sheets, and balance sheets. Accountants must strictly follow the rules of accounting standards. This makes their work complex and rigorous (Camfferman, K. and Zeff, S.A, 2018).

2.4.3 Addressing the Challenges

There is need for accounting firms to plan for the anticipated costs that arise from the accounting standards and accountants need to be trained on how to adopt the dynamic accounting standards in the soonest manner.

2.5 Key Issue Number 5: Forensic Accountancy

Forensic accounting is one of the newest accounting trends and techniques that many people are unaware of. Forensic accountants belong to law enforcement agencies or private accounting firms that prevent, detect, and investigate financial crimes such as fraud, corruption, and money laundering. They have skills and knowledge in accounting, criminal law, civil law and IT (Rezaee et al, 2018).

2.5.1 Benefits Adopting and Application Key issues

Minimized Loss A major benefit of strong forensic accounting is the ability to minimize and prevent unnecessary losses. Fraud and general financial discrepancies cost the business world millions of dollars every hour of every day. A forensic accountant prevents this from happening.

Forensic accountants improve efficiency and play a key role in researching and researching current financial processes and standards, helping to identify more effective and efficient solutions. The whole process is to identify problems and areas of improvement for the benefit of the company.

Mitigating Risk of Exploitation: By proactively patching apparent “gaps” in current financial standards, forensic accountants can significantly reduce the risk of future exploitation. It's about protecting the best interests of the company before any wrongdoing happens.

Avoiding legal issues and dealing with fraud cases (internal or external) can be very disruptive and costly for your business. Ideally, forensic accounting can be used to prevent fraudulent activity and proactively prevent detected problems, thus avoiding such scenarios.

A brand that has a heightened reputation and prestige, and is widely exposed to manipulation and fraud, is a brand that is very difficult to respect, trust, and work with, as fraud can cause irreparable reputational damage. , thorough and ongoing forensic accounting is critical.

2.5.2 Challenges/Weaknesses of Adoption of Application

Challenges include lack of regulation, lack of control over entry into the profession, lack of consensus on how forensic accounting should be taught, lack of professional research journals, misunderstanding of the ultimate goal, Lack of qualified practitioners and trainers and public awareness and professional reputation.

2.5.3 Addressing the Challenges

Action by the Board of Accounts is needed to support forensic accounting regulation, regulate the teaching of forensic accounting, and encourage more individuals to learn about forensic accounting.

2.6 Key Issue Number: Big Data in Accounting

Big data plays an important role in the accounting industry. We support companies and CPA firms with advanced evaluation techniques. Finance professionals can use big data to determine which collected data is most valuable and turn it into actionable insights. Equipped with big data knowledge, her CPA can focus on analyzing processes, proactively controlling systems, and predicting problems before they occur. Additionally, internal and external auditors are at the forefront of the use of big data in accounting. The ability to analyze entire datasets, potentially billions of transactions in ledgers, is transforming traditional auditing approaches based on sampling. While auditors are still working in-depth on small samples of data, audit analytics can help identify outliers and exceptions and focus on areas of greatest risk. A wide range of analytical tools can also be used to visualize data, link financial and non-financial data, and compare predicted outcomes to the real world (Warren Jr, J.D., Moffitt, K.C., & Byrnes , P, 2018).

2.6.1 Benefits Adopting and Application Key issue

One advantage is real-time access. Modern accounting methods require you to strategically complete tasks within a specific time frame each month. However, traditional record-to-report methods limit data transparency and make it difficult to complete tasks before monthly close. Real-time access to your accounting data is the only way to stay in sync with your broader business calendar, fix reporting errors instantly, increase efficiency, and save both time and money. Analyzing reports using big data can help you make better business decisions and set meaningful performance benchmarks.

Being able to use data analytics is one of the other benefits, as big data contains large amounts of unstructured data that need to be organized. Applying data analytics to big data creates opportunities for accounting firms to uncover key insights, predict future outcomes, and automate non-routine financial roles. Accountants must acquire the technical and analytical skills to work with statistics and analyze large datasets using statistical analysis tools such as the data mining and statistical analysis system "SAS". to their knowledge base. In the era of big data, it helps companies achieve greater value and transform their decision-making capabilities.

Another advantage is the ability to identify risks. Providing risk-free financial services to customers is critical for today's businesses where large amounts of data pose many security threats. Big data enables accountants to proactively identify problems with real-time access to data. Accounting firms can make decisions based on hard evidence and facts rather than assumptions and assumptions about customers, employees and suppliers.

Finally, as internal and external auditors are at the forefront of big data in the accounting industry, the availability of audit analytics is also an advantage. Today, the traditional audit approach of sample-based analysis of billions of transactions in the ledger is no longer used. Auditors are still working with large data sets, but audit analytics can visualize a wide range of financial and non-financial data. It helps identify exceptions and pressure points, allowing researchers to focus on areas of higher risk to predict outcomes that improve prognosis (Richins, G., Stapleton, A., Stratopoulos , TC, & Wong, C., 2017).

2.6.2 Challenges/Weaknesses of Adoption of Application

The challenges are: Due to rapid changes, the technology is getting better every month and better than its predecessor. Many large companies cannot meet the requirements to use these tools. This rapid change can lead to turmoil in the company. The shortage of professionals who analyze big data to gain valuable insights to improve enterprise productivity, known as big data analysts, may not be available to individuals with these skills.Data Not many people know the analysis of This is one of the major disadvantages of big data, as there are few people who can tackle big data analysis.

Cost factor, big data analysis is an expensive process. This comes with many additional costs. These costs include hardware costs, technology costs, storage and maintenance, tools, and hiring talented people. Big data analytics work requires significant investment. In addition to hardware requirements, some organizations are using the cloud for big data analytics, but that doesn't adequately address infrastructure issues. Large organizations need an IT infrastructure to support big data analytics. Providing so much storage space to store data, network bandwidth to get to and from analysis systems, and resources to run those analyzes can be very expensive to purchase. increase. Furthermore, maintenance costs are very high (Vasarhelyi, M.A., Kogan, A., & Tuttle, B.M., 2015).

2.6.3 Addressing the Challenges

With ever-changing technology, these big data analysts must constantly learn from new trends in big data analytics to gain valuable insights to improve organizational productivity. Accounting firms wishing to adopt this technology need financial support for investments to manage cost factors such as infrastructure and hardware.

2.7 Key Issue Number 7: Rise of Accounting Software Solutions

Online accounting is in high demand during the pandemic, and accounting software is the best way to do it remotely.Today, online accounting software has a wide range of integrations that can help you speed up your daily processes. It helps. It also uses RPA (robotic process automation) to standardize transactional data from multiple sources in multiple formats. This process is also known as harmonization, and large companies are opting for enterprise resource planning (ERP) systems instead of standalone accounting software (Boulianne, 2014).

2.7.1 Benefits Adopting and Application Key issues

With streamlined business processes, businesses no longer need to waste employee energy on accounting with accounting programs, allowing employees to work smarter instead of working harder. Employees can reduce turnaround time by removing manual calculations from their daily to-do list. This keeps your books up to date without cluttering your desk.

In addition, accurate recording of the company's financial situation is very important in monitoring the progress of the business. By using an accounting program, companies can simplify the error-prone aspects of accounting. Many programs can automatically perform calculations, enter data, transfer funds, and reconcile assets. It can also provide analytics while reducing the potential for oversight. Also, if a company wants to review its records for any miscalculations, they can easily find and correct them before finalizing the report. Some even have a commenting feature that allows you to create notes for future reference.

Secure database, most accounting programs can be password protected. This feature allows users to protect sensitive information from unauthorized access. Storing data in software also facilitates quick access to data, searching and retrieval of files, not to mention protecting data from natural disasters. When data is only digitally accessible, we are vulnerable to disasters such as earthquakes, fires, and floods.

Synchronizing files as your business grows doubles the amount of paperwork you need to track and the amount of accounting you need to do, making it more complex. With one software, businesses can access the information they need from multiple platforms and easily search computerized data. In addition, accounting software allows synchronization of online and offline databases, making data migration easier. For your convenience, some applications also provide real-time status updates so that your organization can see the changes that have been applied.

Simplified tax compliance, tax-related responsibilities take approximately 175 hours per year for all businesses in the United States. In other countries it can even last up to 400 hours or more. That's a lot of wasted days that could have been used to acquire new customers, develop new products, or improve existing services. Tax planning features offered by many accounting programs allow you to store receipts, invoices, and income statements in one convenient platform. Some programs also have integrations that allow you to compare ITRs and adjust calculations to new guidelines.

2.7.2 Challenges/Weaknesses of Adoption of Application

Rising renewal costs, not to mention the high initial costs of software, are also due to maintenance and upgrades to keep many on-premises hardware and software budgets in check. This creates major headaches for businesses and makes it difficult to manage and grow effectively.

Uncertain Implementation Costs Switching to new funding can be a risky move when implementing a new solution, as the costs and timeframes can vary and can be significantly underestimated. This can result in delayed production schedules, customers facing additional supplier fees to complete jobs, and potential revenue loss due to incomplete features and processes.

Bookkeeping and reporting, using multiple databases to manage multiple company accounts can be very cumbersome when it comes to sharing and consolidating financial information, making the process unnecessarily long. Not only is it time consuming, but it can also lead to lack of information and delayed decision-making due to lack of visibility into company-wide accounts and live data.

Project management, project management and service billing companies find it nearly impossible to track billable and incremental hours when using multiple spreadsheets and external databases to monitor projects you may notice. This inevitably leads to confusion and error, resulting in late billing of clients, misbilling of projects, and loss of overall revenue.

Contract and Subscription Billing Manually calculating contract and subscription billing using spreadsheets and separate databases can be very cumbersome, especially when you can account for individual customer prices. Billing accuracy becomes a challenge, often resulting in increased billing errors and customer complaints. Multiple databases that are not consolidated. I really struggle when it comes to effectively collaborating with other departments within a company that uses multiple databases. The lack of cross-departmental integration hinders visibility and information sharing, leads to ill-informed decisions, and does not improve business productivity (Bui, N.T., Le, O.T.T., and Nguyen , P.T.T., 2020).

2.7.3 Addressing the Challenges

The way to address these challenges is to streamline the contract and subscription billing process through a system that incorporates tiered pricing and billing automation. Visualize your performance.

2.8 Key Issue Number 8: Value-Based Pricing

Accounting firms need to be aware of the future impact of value-based pricing on their business. Accounting is a service industry and clients are looking for accountants who can provide what they really need, rather than just selling a service at an arbitrary price. Fewer accountants will bill by the hour or work without discussing costs first, especially now that there is more automation and less time manually entering data into spreadsheets. Accounting firms should consider adopting clear billing guidelines such as fixed fees or project rates to avoid confusion when estimating costs upfront. Value-based pricing provides entrepreneurs and customers with price certainty and prevents surprises. In addition, accountants need to streamline their work in order to earn more profits. Technology and automation will make the accounting process itself more efficient (AccountingTools, 2022).

2.8.1 Benefits Adopting and Application Key issue

When it comes to accounting practices, value pricing offers many advantages, separating time from profits and increasing efficiency. Better customer retention when the clock isn't ticking. Removing the time-based pressure to get work done improves employee retention. For one, you are fairly compensated for the results you deliver to your clients rather than the time it takes to complete the job.It's easier to raise the price. For example, increasing the annual service fee by 10% from 3000K to 3300K is less likely to annoy customers than increasing the hourly rate from 100K to 110K. Our competitive pricing sets us apart from competitors who rely on hourly billing. Clients prefer value pricing for these reasons, no invoice shock, greater engagement with accountants, easier access to accountants (because the hourly clock is not ticking) increase. Better understand what the accountant wants from him. For example, due dates for annual financial data.

2.8.2 Challenges/Weaknesses of Adoption of Application

The challenges are: Extensive research is required. Value-based pricing typically requires more extensive research than other pricing structures. In many ways, accountants have to get into the minds of their clients and customers to understand how much they are willing to pay for what they offer. may give If an accountant employs a value-based pricing strategy, it is important not only to understand what competitors are charging, but also how competitors price and perceive the value of products and services. It is also important to understand how offer.

When accountants use value-based pricing, trial and error may be required and the price initially set may not be correct. Accountants may underestimate prices, which may result in more people using the company, but it also makes it harder for the company to make a profit. On the other hand, if a company values people higher than what they think it is.This bug can drive them away, making it harder to get their foot in the door.Value-based pricing strategy The trial and error involved in using can put additional strain on your accounting team and finance department. Accounting firms step in and help determine which rate is the most appropriate based on a variety of factors.

2.8.3 Addressing the Challenges

Accounting firms should invest in research to keep up with industry trend prices and to understand the weaknesses and strengths of their competitors. Additionally, we need to set up a system that replaces the trial-and-error approach.

2.9 Key Issue Number 9: Artificial Intelligence in Accounting

Artificial intelligence (AI) is having a positive impact on the accounting industry. A large amount of data can be analyzed with high speed and high accuracy. AI can also optimize administrative tasks, workflows, and accounting processes that lead to various structural changes in companies. Many companies are using AI and robotic process automation (RPA) to automate routine and repetitive tasks. This allows accountants to focus their time on other important activities. For example, accounting firm Ernes and Young (EY) uses AI to analyze leases (Greenman, 2017). AI makes it easier to gather information quickly before the start date. The amount paid and the option to terminate or extend the contract are also automatically recorded.

2.9.1 Benefits Adopting and Application Key issues

Data entry is time consuming. It can eat up time that accountants could have done better to grow their business. AI saves the accountant time at the end of her day. One of her biggest benefits of machine learning in accounting is time savings. Detect errors that an accountant might miss. What's special: AI in accounting can help accountants uncover fraud that may have gone unnoticed. Not only does this help accountants spot harmless data entry errors, it can also warn of security threats.

Smart features streamline the process of matching and classifying accounts so you can focus on what matters most: your business (Guney, A., 2018).

2.9.2 Challenges/Weaknesses of Adoption of Application

Demand for high computing power: Artificial intelligence tools and techniques require a lot of computing power. This is necessary for processing large amounts of data to build AI systems and use deep learning techniques. Acquiring and funding this level of computing power is a challenge for businesses, especially small businesses and start-ups. Parallel processing systems and cloud computing have made this possible to some extent, but as data volumes grow and computing becomes more complex, they become unreliable.

Organizational support and people's trust: Few organizations were interested in investing in AI-based products. Organizations are not interested in investing in AI products because they are rarely implemented and are not currently in use.Also, few people know how to operate machines and think and learn on their own. . Few people can make machine-driven progress understandable to other companies. Data Protection, Accounting uses a lot of data, and depending on the purpose, this data is used based on an AI platform. Since this data can be confidential and personal, there is a possibility of data breach. Implementing AI in accounting is a major concern for organizations as regulations on data protection and use are still pending.

2.9.3 Addressing the Challenges

There is a need for huge investments from accounting firms needing the AI technology in order to acquire the advanced Computing Power technology. There is a need to invest in experts that deal in data security, given that the AI comes with data security concerns. Lack of firm’s support can be solved by offering platforms and tools that permit AI-driven work as a service for the customers so that they can use the AI and use the data on the ready-made solutions. AI is still a black box for the people and people do not trust something until they know how the decision was made. Algorithms are complex to make people understand that it is more relevant to get more accurate and precise predictions.

2.10 Key Issue Number 10: Blockchain Technology in accounting

Blockchain is an accounting technology. It deals with transferring asset ownership and maintaining a ledger containing accurate financial information. Accounting professionals are generally interested in measuring and communicating financial information and analyzing that information. Many professions are concerned with determining or measuring property rights and responsibilities, or planning how to best allocate financial resources. For accountants, the use of blockchain has the potential to significantly improve efficiency by clarifying the existence of asset ownership and obligations.

2.10.1 Benefits Adopting and Application Key issues

One area that will benefit from blockchain is the audit profession. An annual financial statement summarizes what is happening in a company's general ledger during that period. The auditor's responsibility in an audit of financial statements is to conduct a professional audit, form an opinion on the completeness of the financial statements, and report the results. The auditor's opinion on the financial statements is important. This is because external parties may rely on the auditor's opinion and the relevant financial statements when making investment decisions (Demir and Ciftci, 2016). If the company's financial statements appear promising and the auditor issues an opinion indicating the accuracy of the financial statements, the individual or company may decide to continue investing in this business.

A blockchain is a digital ledger that records transactions in chronological order and can be viewed by anyone with access (Tysiac, K, 2018). Blockchain is essentially an immutable ledger whose records can never be destroyed. Therefore, it serves as a reliable and continuously updated general ledger for your company's accounting records. This is a cheap, efficient and reliable way to transfer digital currency between buyers and sellers as well as ownership of other two assets between two companies using blockchain technology.

2.10.2 Challenges/Weaknesses of Adoption of Application

Data immutability has always been one of blockchain's biggest weaknesses. It is clear that multiple systems will benefit, such as supply chains and financial systems. However, given the way networks work, it should be understood that this invariance only exists if the network nodes are fairly distributed. Additionally, blockchain can be inefficient and there are currently several blockchain technologies. Pick the most popular, such as the blockchain technology used by Bitcoin, and you'll find many inefficiencies within the system. This is one of the major drawbacks of blockchain.

Additionally, scalability is an issue and blockchains are not as scalable as centralized ones. If you have ever used the Bitcoin network, you know that transactions are successful depending on network congestion. This issue is related to the scalability issue of blockchain networks. Simply put, the more people and nodes that join the network, the more likely it is to slow down.

2.10.3 Addressing the Challenges

However, when the same person uses a digital platform based on blockchain technology,they will not be able to remove traces from the system if they do not wish to do so. Simply put, there's no way to get rid of that trail, and you can't shred your privacy rights.Of course, every time the data is updated, nodes have to replicate it, so this handles it better if needed. Additionally, the size of the blockchain grows as the number of transactions and nodes increases. As it continues to grow, it slows down the entire network. There are ways to solve for scalability, including permissioned networks, or using another architectural blockchain solution like Corda.

3.0 The Influence of Covid-19 on Accounting Practice & the Accounting Profession

The COVID-19 pandemic has transformed every industry, including the accounting profession. (Kaka, E., 2020), accounting practices have long helped develop and grow public and private enterprises. The rapidly accelerating situation of the COVID-19 outbreak poses significant challenges for companies involved in the use of digital technologies in computing and industries, including the accounting industry. This has forced accountants to use new technologies to add value, solve existing and potential challenges, and solve account risks and obstacles. Additionally, accounting professionals began to work virtually and had to use technology for their work, such as conducting meetings via video conferencing.

During the pandemic, accountants struggled to disclose some information about the company. This is information about disclosures and related information related to non-financial and intangible goodwill characteristics, cash flow challenges, collateral losses and continuity charges. Despite these obstacles, foreign accounting experts have reached consensus (Wilson, 2020).

The company as a whole and companies within the circle of partners faced new challenges related exclusively to virtual communication. With so many changes, accountants worry about productivity, hiring, and online instruction. Productivity assessments are needed in relation to balanced working hours and face-to-face interactions with workers. Partners need to implement new approaches to assess productivity through remote work.

4.0 Conclusion

There are several accounting issues that have arisen in this context and we have the ability to solve the challenges faced by accountants. But for those who are innovative and adaptable, these challenges are minor obstacles. Accountants who take proactive measures and develop strategies to deal with emerging problems will reap significant benefits in the long run. For example, cloud-based technology adaptation, continuing education, and security controls are just a few of the solutions accountants should consider. Additionally, the advent of Covid-19 has increased the need to employ technology in accounting practices, given the need for remote work during the pandemic.

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