

RECONFIGURAREA CERINȚELOR FAȚĂ DE EDUCAȚIA ȘI PROFESIA
CONTABILĂ CA URMARE A PANDEMIEI COVID-19

RESHAPING THE REQUIREMENTS FOR THE ACCOUNTING
EDUCATION AND PROFESSION AS A RESULT OF COVID-19 PANDEMIC

CZU: 657.1:614.4

DOI: 10.5281/zenodo.7063905

ERHAN Lica

Academy of Economic Studies of Moldova, Republic of Moldova

lica.erhan@ase.md

ORCID: 0000-0001-5204-6367

Abstract. The Covid-19 affected both accounting education and profession, and reshaped trends in the accounting world. The accounting education has been effected by the health crisis, facing new challenges in evaluation process, the lecturing time and teaching methods. Education and profession are strongly connected, if accounting education is affected negatively, this will have consequences on the profession. Accounting professionals also faced major challenges due to remote working, limited time for decision-making, increase in cyber frauds and forced reduction of employees' number.

Starting from this reality, the aim of this research paper is to evaluate how Covid-19 pandemic reshaped the requirements for accounting education and profession, and identify the newest trends in accounting field. In order to meet the aim of the research, an analysis of secondary data resources will be carried out. The research will include the results from the most recent Association of Chartered Certified Accountants surveys and will be completed by the most recent data and references in this field of research and own reflections of the author.

Keywords: accounting profession, Covid-19, accounting education.

JEL Classification: M41, I23.

Introduction

The role of accounting education in the training of the accounting professionals is essential. It was expected that Covid-19 pandemic might benefit the accounting profession, because there will be lower-cost education due to on-line transition. This shift to on-line education could enable students to save costs and time, which in turn will profit them (Zarret, 2020). However, the accounting education during the on-line learning faced challenges that might affect the skills of future accountants.

We cannot neglect the fact, that Universities have been affected by this pandemic, in terms of providing effective and qualitative education to their students during Covid-19 period. These include the student's evaluation process, the faculty members' self-efficacy, digitizing the accounting education, the lecturing time and teaching methods (Sarea, 2021).

Accounting education remains an attractive field of study for young students globally. A recent study realized by Association of Chartered Certified Accountants (ACCA) and International Federation of Accountants (IFAC) showed that 62% of young people consider accounting as an attractive career, 87% say that they are very comfortable with technology and quickly assimilate new technologies, another 43% are attracted by the opportunity to develop a wider range of skills.

The Covid-19 also came with major challenges for accounting profession. The main challenges were time-constrained in decision-making, working remotely, reduction of employees' number and increase in fraud. Accounting professionals need to adapt and find new trends for reinvention. Of, course the main trends are linked with digitalization, among them we can mention: automated accounting processes and cloud-based accounting.

Discussion and results

Today's proactive student will become tomorrow's professional accountant. Accordingly, if accounting education is affected negatively, this will have consequences on the profession.

It is known that accounting is a science of equilibrium and balance. Identically, a good accountant is a balanced person, constantly adapting and being receptive to new economic, social and legislative changes. After Covid-19, it has become obvious, that the professional accountant can no longer be "built" only based on traditional subjects such as accounting, trade, finance and business administration. The accountant of the future should integrate skills from related disciplines such as technology, engineering, statistics and mathematics.

The skills in the accounting profession will be acquired both in Universities and through continuous professional development. Recently, ACCA launched a new Career Navigator tool to boost career moves and skills development, because thousands of accountants and finance professionals were able to change jobs during the Covid-19 crisis.

The Career Navigator has analyzed more than 120 private, public sector finance roles, outlines the skills, and experience required, so students can plot their career path, right from junior levels to chief executive. The aim of this tool is to help students grow into senior leadership roles by identifying exactly what capabilities are required at every level and helping them to map their own skills.

Another ACCA global survey, carried out even before the health crisis in July 2018, included over 7 000 students and aimed to find out more about the learning preferences today and understand better how those choices may evolve in the future. The following shows the overall results: 67% of Central and Eastern European students said they learn the most through on the job, project work; 53% of students working in public practice still believe they will learn most on the job in the future.

Asked about when they prefer to learn, more than 40% of all respondents selected 'when I have spare time in my job', on an ad hoc basis which could be interpreted as learning in the moment, and, going forward, whilst privileging learning on an on-going, regular basis, they do not necessarily intend to take time out to undertake specific courses. In addition, 58% of all respondents said in the future they would acquire knowledge on an on-going, regular basis.

We are passing a time of major professional challenges, and the professional skills, acquired in University studies, are to be amplified by the continuous development offered by professional bodies. Thus, a close collaboration between the socio-professional and business environment with the University environment is required, in order to adjust and provide competitive study programs, able to meet the requirements of the accounting profession in accordance with the provisions of International Education Standards.

The International Education Standards set out the general requirements for the educational and professional level of an accounting and auditing specialist and describe some of the recommendations for the competence and knowledge that a professional accountant/auditor should have.

From eight International Education Standards, only two, namely IES 2 "Initial professional development - technical competence" and IES 4 "Initial professional development – professional values, ethics and attitudes", contain requirements for training in the field of accounting and auditing, which must be found in the educational programs of higher education institutions. Respectively, the other six international standards are designed for professional bodies and include the requirements for continuing education.

Starting a comparative study, we found out, that the fields of knowledge, areas of competence and educational objectives, stipulated in the IES 2 are totally integrated in the content of the study program of the Accounting Faculty, from the Academy of Economic Studies of Moldova (AESM). This finding confirms the high level of study program from the Accounting Faculty from AESM, which is drawn up in convergence with International Education Standards and is accredited by the global professional body ACCA.

At the same time, the responsibility for developing specific skills required in the labor market lies not only on the shoulders of the higher education institutions, but also is a responsibility of the graduates

who need to be aware of the challenges of the future economy and need for long run learning in accounting profession.

Accounting professionals faced major challenges during Covid-19 pandemic, due to remote working, limited time for decision-making, increase in cyber frauds and forced reduction of employees' number (Hossain, 2021).

During this pandemic, accounting professionals faced problems regarding information collection. As the decision-making has become frequent during this period, accountants made decisions without sufficient time for risk assessment. As professionals are working remotely during this pandemic, tracking the work progress of the staff is quite difficult. Employees' layoff is another challenge for the accounting profession. As many entities faced an economic downturn, they were forced to lay off some of their employees. As most of the work of the accounting profession has gone on-line, many cybersecurity-related frauds are arising nowadays.

As this is the new reality, accounting professionals need to adapt and find new trends for reinvention. The main trends are linked with digitalization. An ACCA study carried out in 2020, called „Future ready: accountancy careers in the 2020s” estimated 20 trends shaping future careers, from them 7 were dedicated to digitalization.

Automating more accounting processes is a key trend in the industry. Automation eliminates confusion and minimizes errors that is why entities are more willingly to invest in automated solutions. With cloud-based accounting systems, entities were able to have access to their system anytime, and this was quite helpful when Covid-19 pandemic began.

The artificial intelligence in accounting market is also expected to register an increase. In the year 2020, due to Covid-19, the entire Fintech sector had witnessed growth in the market. By integrating artificial intelligence, the entities were able to perform cash flow forecasting, predict bankruptcy, detect frauds, thereby allowing the accountants to help clients respond against financial challenges. Professor Brid Murphy and Marta Rocchi, from Irish Institute of Digital Business suggest that artificial intelligence will play a significant role in the future of the accounting profession for some, but not for all, aspects.

Still the most recent studies carried out by ACCA in United Kingdom, showed that only 19% were using the artificial intelligence in the accounting. Therefore, the accounting sector can be considered o pioneer in this domain. The pandemic is likely to accelerate the increasing reliance on automation and artificial intelligence, transforming everyday business practices and instigating some reflection on the future direction of the profession.

Conclusions

Global trends are reshaping the future of the accountancy profession. Contemporary society expects professional accountants to acquire the required level of skills in the labor market, and in this regard, the role of Universities remain a major one. Interdisciplinary becomes essential for the professional accountant. In this context, new approaches such as data analysis, innovative technologies, risk estimation and assessment need to be transferred carefully to today's students - tomorrow's accountants.

Covid-19 has served as a trigger for all entities that were reluctant toward digitalization. The appearance of Covid-19 represented the start of the new digital era for all the entities. That makes it timely to reflect on the topic: “if some accounting roles can be replaced by machines?”. Creativity in the accounting profession adds value to what a machine, even with artificial intelligence, could do, adds value to what a competitor could do in the same market or job. The professional accountant will use the information and new information technologies against the background of an increased adaptability capacity. In light of this renewed context, there are considerable challenges ahead for Universities and professional accountancy bodies. Professional practice, professional training and continuous professional development will need to refocus in relation to the acquisition of new skillsets to master new technological innovations.

Bibliography

1. Hossain, D. 2021, The Impact of Covid-19 on Accounting Profession. Available at SSRN: <https://ssrn.com/abstract=3923710> or <http://dx.doi.org/10.2139/ssrn.3923710>
2. Sarea, A. 2021, Covid-19 and digitizing accounting education: empirical evidence from GCC, Vol. 5 No. p. 68-83, Emerald Publishing Limited 2399-1747, DOI 10.1108/PRR-10-2020-0034.
3. Zarret, S. 2020, The impact of coronavirus on education in the accounting profession, CPA practice advisor, available at: www.cpapracticeadvisor.com/accounting-audit/news/21142154/theimpact-of-coronavirus-on-education-in-the-accounting-profession
4. www.accaglobal.com
5. www.ifac.org