



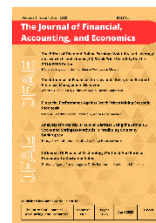
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### The Meaning of Technological Developments In The Society 5.0 Era For The Accountant Profession

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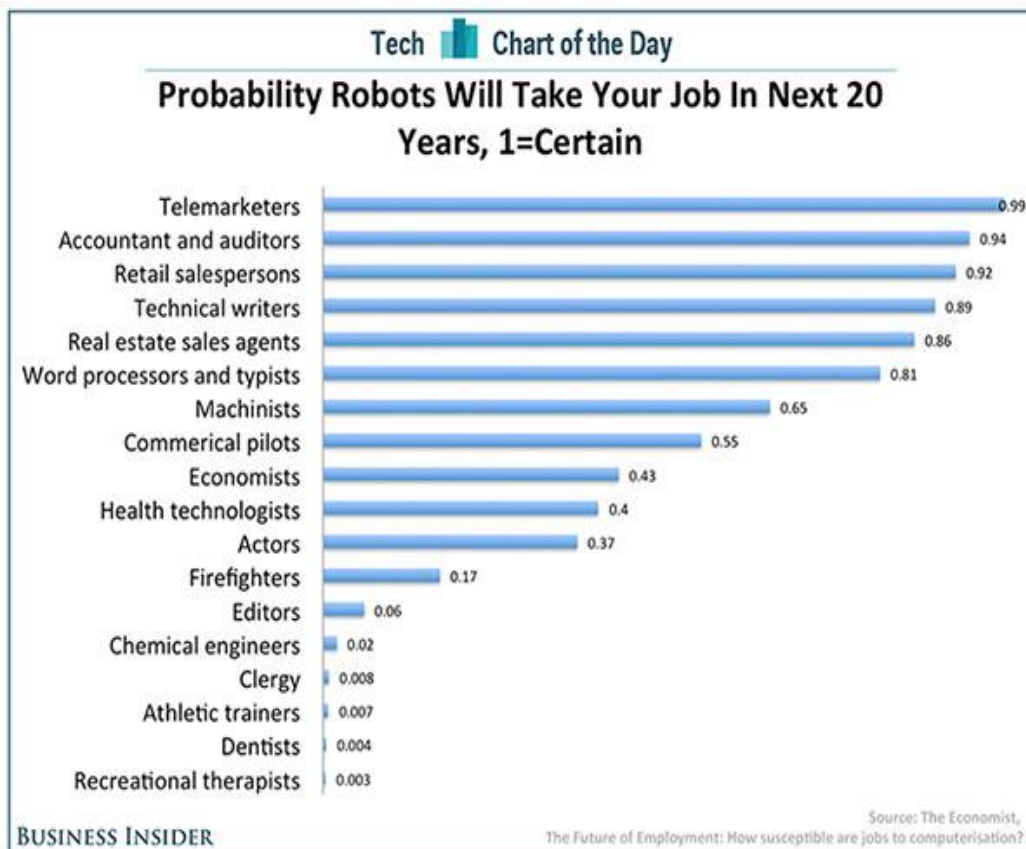
#### ABSTRACT

The widespread use of digitalization and the dominance of technology and artificial intelligence in all areas of life marks the era of society 5.0. This condition requires society to be able to adapt by creating innovation and self-development. Even though it broadly has a positive impact on human life, on the other hand, if it is not controlled correctly, it will cause unrest. There are predictions that several jobs will become extinct and be replaced by technology, one of which is accounting. This prediction gives concern, a pessimistic attitude, and even a feeling of threat to the accounting profession regarding its existence in the future. Is it true that the accounting profession will no longer be relevant? This article discusses how the accounting profession should interpret technological developments in the era of Society 5.0. The research method used in this research is qualitative, with a literature study. Based on the research results, it is concluded that practitioners in the accounting profession should be able to respond more openly to the revolution in the era of society 5.0 so that feelings of worry, pessimism or threat are better addressed as encouragement to be good as an effort to maintain their existence in the future. Thus, the revolution in the era of Society 5.0 is a promising opportunity for accountants to develop their careers.

#### INTRODUCTION

The revolution in the era of Society 5.0 provides a new discourse for industrial development worldwide, especially in Indonesia. According to predictions made by the

World Economic Forum, 75 million jobs will change in the next four years, and 133 million new jobs will emerge due to technological developments. Based on this statement, the accounting profession is predicted to be part of the work that will change in the next four years (Saraswati & Arif Widodo Nugroho, 2021). Several fields of work are believed to be replaced by technology, including accountants. This has ultimately become a topic of discussion in various circles related to the future sustainability of the accounting profession. It is believed that the emergence of big data can erode and take over accountants' work, such as recording and processing information (Mahbubah & Yunida, 2019).



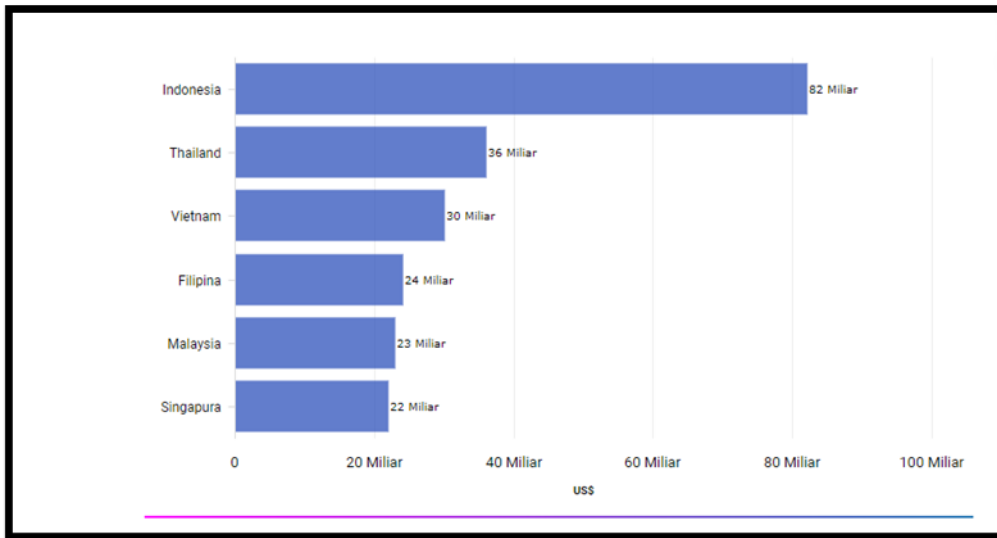
Picture 1.1

Jobs that are believed to be replaced by technological developments

Source : <https://feb.ugm.ac.id/en/research/lecturer-s-article/2886-benarkah-peran-akuntan-digantikan-oleh-teknologi-informasi> (accessed 2023)

The current phenomenon is that many companies in Indonesia and around the world prefer to take advantage of technological developments in running their business. Data obtained from Google, Temasek and Bain & Company shows that the gross merchandise value (GMV) of the digital economy in Southeast Asia will reach US\$ 218 billion in 2023. This condition has increased by 11% compared to the previous year. According to this data, Indonesia has the highest digital economy GMV in Southeast Asia in 2023. Figure 1.2 shows the GMV figure for Indonesia's digital economy at US\$ 82 billion. Thailand,

Vietnam, the Philippines, Malaysia and Singapore followed this. This condition shows that the use of technology in economic activities in Indonesia is very high.



Picture 1.2

*Gross Merchandise Value (GMV) Digital Economic in Southeast Asian Country (2023)*

Source : <https://databoks.katadata.co.id/datapublish/2023/11/03/indonesia-masih-rajai-ekonomi-digital-di-asia-tenggara-pada-2023> (accessed, 2023)

Utilizing technology in business is now an option for large-scale companies. Small and medium-scale companies, or MSMEs, in Indonesia, are already considering using digital technology to support their business activities. Digitalization is the primary key to developing MSMEs today. Data published by the MSME Empowerment Report in 2022 shows that 83% of MSMEs in Indonesia have utilized technology in business activities (Margareta, 2023). Apart from that, various applications have emerged that can be used specifically to carry out accountant tasks such as journaling, creating ledgers, and compiling financial reports automatically without requiring much knowledge about financial report preparation techniques. Each application has advantages that make it easier to carry out accounting tasks. Apart from that, the costs incurred to use the application can be more affordable than paying an accountant. This condition raises several questions. Is it no longer necessary for business actors to know accounting? Do companies no longer need to employ an accountant to support their business? Is the existence of accountants still relevant today or in the next few years?

This article tries to review matters related to this question. The problem that can be formulated is how the accounting profession interprets the development of information technology amidst issues stating that accounting work will be replaced by digitalization along with the entry of the era of society 5.0. The focus of the discussion is on how an accountant should interpret the development of information technology, which is linked to the existence of his profession. This is a response to the disappearance of the accounting profession, which is being replaced by technology. Similar research was

previously conducted by (Soepriyanto et al., 2023) regarding the challenges faced by the accounting profession in the era of the Industrial Revolution 5.0. Apart from that (Arwani, 2020) discusses the views of the Industrial Revolution 4.0 and the Societal Revolution Era 5.0 from the perspective of the Islamic financial accounting profession. Next (Botelho et al., 2022) discuss the perspective of the Industrial Revolution 4.0 from the perspective of the accounting profession and accounting students at UEMG. This article is directed more toward describing professional accountants' attitudes to responding to the digitalization phenomenon in the Era of Society 5.0. The discussion in this article summarizes the results of previous research to convince readers (both prospective accountants and professional accountants) further that the existence of the accounting profession is not just believed in but requires struggle from the professional practitioners themselves.

## **RESEARCH METHOD**

The research design uses a qualitative approach because this research was conducted to look more deeply at a social phenomenon from various literature related to the research topic (Fadli, 2021). The social phenomenon referred to in this research is the sustainability of the accounting profession in the era of Society 5.0, which is rumoured to be replaced by the existence of technology. The type of research used is literature study, which is carried out by deepening an understanding of the contents of books, documents, journals, scientific articles or other document sources appropriate to the topic of research discussion. The data used is secondary data. The data collection technique is carried out by searching for sources and reconstructing what is obtained from the mass media in the form of news, research journals, and book theories, both electronically and in print. The data analysis technique in this research was carried out using descriptive analysis. Based on the data that has been obtained, a critical and in-depth analysis is then carried out so that it can support the proportions and ideas. The stages of data analysis are formulating research questions, sampling selected data sources, creating categories in the analysis, collecting document sample data and coding, and creating scales and items based on certain criteria for data collection and data interpretation/interpretation (Sitasari, 2022).

## **RESULTS AND DISCUSSION**

### **Accounting And Technology**

Digital technology was developed to make human activities easier. Many industries have used technology rather than accepting new employees, considering effectiveness and efficiency. Apart from that, technology can also improve company performance and productivity compared to human labour because the involvement of technology can reduce errors and increase quality and speed (Soepriyanto et al., 2023). With technology's many benefits, it can replace human labour so that human resources can do other work that machines cannot do.

Like a double-edged sword, technology can provide both convenience and threat to its users (Sari et al., 2020). The use of technology in the industrial world can have both a positive and a negative influence. Technological capabilities in performance, speed, precision and accuracy cannot be compared with humans. Robots do not feel tired, do not

need rest time and do not have a psychological side like humans so that they can perform tasks beyond human capabilities. However, on the other hand, if technology is not controlled, it is feared that it could threaten the existence of humans accustomed to using their manual abilities at work. In line with this condition, practitioners in this profession must begin to open their minds in interpreting the existence of technology.

According to their definition, economic experts such as Littleton, Sudibyo and Giffikin think that accounting is a technology. Just like technology, accounting is constantly developing. Accounting, which was initially an activity of collecting, grouping and recording transactions in a journal, is considered a technical and repetitive activity. As the needs of the industrial world develop, accounting now places more emphasis on analyzing financial data. The accounting profession is no longer synonymous with providing financial data but rather with providing financial information for decision-makers.

The role of accountants today is not limited to technical activities; accountants play more of a role in internal control and analysis of managerial information, especially in company financial strategies. Accounting and financial analysis will shift from a past to a future-oriented perspective. Cloud-based and big data are starting to support data integration, so accountants' work becomes more efficient and mobile. Through this logic, accountants can be considered expert professionals in providing financial information. Therefore, information technology is closely related and is an essential requirement for the sustainability of the accounting profession (Ariyani, 2021).

### **Opportunities for Accountants in the Era of Society 5.0**

According to their characteristics, accountants must continually develop and innovate, so this profession has many challenges in maintaining its existence. According to the public's perspective, this profession is seen as playing a role in creating public trust in reporting company performance. Of course, this position is strategic rather than just carrying out technical activities as reported. A professional accountant should also have full awareness of his existence and that a shift in roles must be carried out at this time. This role shift is not a prediction that can only be believed. However, it can be a reminder for professional practitioners about what steps they can take later.

Data analysis skills must be one of the areas of skill that accountants have. A business consultant can use his analytical skills to identify consumers and company target markets to be used in making investment decisions to generate high profits. Likewise, a public accountant can utilize analytical skills to conduct ongoing audits to understand the sustainability of the client's business. It is time for the accounting profession to be able to anticipate business conditions in global competition. The strategic position of accountants is to support in providing analysis of the impact of company management policies. This can be seen when public accountants carry out audits of financial reports. The audit results will be used by management as a form of company accountability to its investors, especially when facing changes in the business environment.

A professional accountant can take many strategic positions. As a support specialist, accountants are expected to be able and skilled in communicating and understanding company functions. An accountant who takes on the role of a high-level decision support specialist will be more involved in financial analysis activities than just providing accounting

data. Therefore, apart from carrying out financial and accounting functions, a professional accountant is expected to be able to master marketing functions so that he can detect market situations in future global competition. The ability to think strategically is a necessity for professional accountants. Accountants in the future must have adequate skills, broad knowledge, and quality, continuously develop themselves and innovate with technology. Efforts to support all of this can be done through collaboration. This collaboration is related to using conventional data owned by the company. These resources can later be developed through data processing and innovative early warning systems so that they can produce solutions to determine company policy (Ariyani, 2021).

The more widespread the use of technology in accounting and finance, the higher the transparency. Thus, an increasingly important trend to focus attention on is data security. The involvement of technology in the accounting field provides a gap for the public to access financial data more efficiently and widely. So far, financial data is sensitive data that is only for internal consumption. Not all financial data can be disseminated to the public freely. Transparency and security are two parts that are interrelated with each other. This is a new opportunity for the accounting profession in data control. Accountants are directly involved in maintaining the security of company data. Accountants are essential in designing a company's data security control system, so it is always necessary to follow the latest security systems.

The increasing incidence of violations of the code of ethics has reduced the image of public trust and credibility towards the accounting profession. It takes hard work to restore the good name of the profession. This condition has led to demands for companies to increase financial transparency, which ultimately affects the reporting process. Companies must fully report their financial conditions to the public and reduce market uncertainty. Once again, accountants are responsible for the company's financial data security. Apart from that, an accountant must be a professional and maintain good values and ethics by upholding the professional code of ethics in carrying out every activity in the profession's name. This is important because by committing to implementing a professional code of ethics, accountants collectively protect the good name and existence of the profession. Without this, accountants will be abandoned by society. The excellent image built to gain public trust will only end in vain if professional actors are not committed to maintaining it.

### **The Meaning of the Society Era 5.0 for Accountants**

The prediction that the accounting profession will disappear and be replaced by machines can be interpreted from various points of view. Whether or not these predictions come true is up to each individual. Suppose professional actors remain silent without trying to develop themselves and adapt to technological developments. In that case, it is only a matter of time before these predictions come true. However, the accounting profession regularly follows technological developments and always carries out self-development. In that case, the existence of technology will no longer be a threat. Using technology, the accounting profession can create innovations that can support the ease of their work (Tampubolon, 2022).

A professional accountant not only needs to master general and specific skills in the field of finance but also must equip himself to master several additional skills that can support market needs so that his expertise remains relevant to current developments and can maintain a competitive advantage in the workplace (Miller, 2019). An accountant must

be able to follow the development of the times. Professional needs require accountants to continue developing themselves to provide services to ongoing business development needs. Likewise, with technology, which is currently starting to dominate the industrial world, it can be seen that accountants are expected to adapt by being directly involved.

For accountants who feel they need to get used to using technology, they should give themselves suggestions to continue developing themselves, especially in the field of technology. For educational institutions committed to producing accountant graduates, it is time to provide facilities for their students to upgrade their curriculum, which is tailored to the needs of the world of work. Provides more learning related to logical skills, analysis and business judgment. Moreover, it can provide provisions for students to develop skills in using technology so that graduates will not be technologically illiterate.

## **CONCLUSION**

Professional accountants must have far-sightedness. The future of accountants depends significantly on their competence to meet the needs of the times. Technological advances such as today, which have entered the era of society 5.0, are not an obstacle for accountants to continue to exist in the industrial world. The issue that states that accountants' jobs will be replaced by technology can be addressed from another perspective, namely by using it as an opportunity to take on another job. Accountant jobs that machines can replace are more technical jobs, such as providing accounting data.

Meanwhile, many other jobs cannot be done by machines, such as providing accounting information, which is more analytical and involves logic. Apart from that, accountants can also work in financial data security. The accounting profession must also be aware of this shift in role to prepare itself with appropriate skills enhancement. Behind it all, the accounting profession must continue to pay attention to the code of ethics to maintain its image in society.

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