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BLOCKCHAIN TECHNOLOGY AND ITS IMPLICATIONS FOR THE ACCOUNTING PROFESSION

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Nowadays, it comes as no surprise to anyone that the business landscape finds itself amid a paradigm shift. While the use of this phrase might be excessive and a buzzword, it is the most fitting due to what we are experiencing. Alongside different trends, which are redefining the way society operates and the way we do business, and with an increased rhythm of digital transformation, new areas of business are being developed. The most important ones are emergent technologies, including artificial intelligence, cloud technology, and the most promising one due to its application, blockchain.

Being an emergent technology, blockchain continues to evolve today, and we can expect it to have a distinct set of implications for the future. Moreover, it is of interest for stakeholders and professionals alike, because it will have a huge impact on business environment. The challenges and implications of adopting emergent technologies like blockchain must be carefully considered, especially in an industry like accounting, which demands a high attention to detail. However, this evolution or rather change in accounting profession is not something entirely new. Tools used in accounting have continued to change ever since this profession came to being, while its goal stayed the same. Having that in mind, we believe that while accounting profession will change, due to new available tools like blockchain, its goal will remain the same, that of reporting relevant information to stakeholders, based on which decisions are made. Then, it becomes clear that no matter the tool used in the future, the human factor will still exist, due to the necessity to interpret and explain the results, which is ultimately the real goal of this profession.

Of course, with every new insight and tool available there comes a period of push and pull, meaning new regulations for every innovation. As of this writing, there are no definitive regulations, although there are a few actors who are issuing non-authoritative guidance on how to account for blockchain, artificial intelligence and digital coins. We can conclude that although, accounting professionals seems to be aware of the emergent technologies and their implication, action is still lacking. There is however an effort to integrate and develop blockchain based applications for payment processors like SWIFT. To really grasp the importance of SWIFT, one only must look at North Korea or Iran, which have been cut off at different times from it, leading to a dramatic economic contraction. Although the integration of financial platforms with blockchain are still far away, we urge professionals to start prescribing and shaping the direction of these new regulations, thereby creating a framework which offers guidance for these new emergent tools, so they can be used at a maximum potential.

Even though accounting profession is not known for radically embracing technology, or even being at the forefront of innovation, blockchain has changed that since it is an accounting technology at its core. Although this resistance to change isn't surprising when considering the context of accounting and the services performed, professionals in this field will *have to* adapt as there is no doubt that blockchain technology will become more and more prevalent within the global community, willingness and careful implementation proving critical in the near future.