Accountancy Business and the Public Interest
ISSN: 1745-7718

Volume: 41
Issue Number: 07

NAVIGATING THE DIGITAL HORIZON: EXPLORING THE IMPACT OF TECHNOLOGY IN ACCOUNTING AND AUDITING PRACTICES

Dr. SATHYANARAYANA GARDASU[1], Dr. KRANTHIKUMAR ANANTHOJU[2], MUSKAN MALHOTRA[3] and ADIMA JAIN[4]

[1]Assistant Professor (Senior Scale), School of Commerce & Economics, Presidency University, Bengaluru, India. Email: sathyanarayana.g@presidencyuniversity.in

[2]Assistant Finance, Bharat Electronics Limited, Jalahalli Post, Bengalore, Karnataka, India. Email: kk.ananthoju@gmail.com

[3,4]Senior Research Fellow (Commerce), Department of Accountancy and Law, Dayalbagh Educational Institute (Deemed to be University), Agra, Uttar Pradesh. Email: [3]malhotramuskan76@gmail.com, [4]jainadima@gmail.com

Abstract

In today's world, business operations have become increasingly digitalized to align with the global trend towards digitalization. Accounting is a language of business. The double-entry system of bookkeeping had its origins in Italy and was developed by Luca De Bergo Pacioli in the year 1494. Luca De Bergo Pacioli, who made substantial contributions to the field of accounting. So, he was called as father of accounting. In India Chanakya, the famous Indian philosopher and economist, wrote the "Arthashastra" in the 2nd century B.C., during the Mauryan Empire. Chanakya gave insightful counsel and thorough instructions on the fundamentals and procedures of keeping record books for accounting purposes in this ancient work. The accounting profession is about to undergo a technology transformation that might drastically alter the discipline in the global. Rapid technological improvements are causing a fundamental upheaval in the accounting profession. The disruptive potential of emerging technologies in the accounting profession is explored in this research piece. The main objective of this study is to examine the impact of technologies on future financial reporting/ future accounting. emerging trends like artificial intelligence, blockchain, data analytics, and cloud-based solutions have on decision-making, data integrity, accounting procedures, and the function of accounting professional. Based on a thorough analysis of previous research, case studies, and interviews with experts, this study offer insights into how technology is now being adopted in the accounting industry. We looked at the consequences of these technical advancements for the work of accountants in the digital age, as well as the opportunities and problems they bring. Primary data were gathered from top Indian firms such as Wipro Ltd, Infosys Ltd, TCS, and Tech Mahindra Ltd. The study polled 75 people, including chartered accountants, accountants, and financial analysts. Among these, 60 respondents identified as male, and 15 as female. To examine the acquired data, relevant statistical procedures were used, such as percentage calculations and the chi-squared test. These analytical tools were used to analyze potential correlations and trends in the dataset, with a particular emphasis on respondents' gender distribution and any detected patterns in their professional jobs within the surveyed organizations. It is observed that that there is a positive impact of technology in accounting and auditing practices. It is also found that there is a technology, improve financial reporting. It means there is a positive technology improvement in financial reporting.

Keywords: Digital Technologies, AI, MI, Blockchain Technology, Accounting, Auditing.

1. INTRODUCTION

The global digital revolution has brought about profound and irreversible changes in both societies and industries. Predictions indicate that the accounting profession is on the cusp of experiencing substantial transformation in the foreseeable future, driven by ongoing technological advancements. In a time when technology is developing at a breakneck pace, the accounting industry is changing dramatically. The old stereotype of accountants reading over ledgers and doing mathematical calculations is making way for a more dynamic environment where digital advancements are changing the fundamentals of the industry. Accountants and other finance professionals are at a crossroads as the digital age advances. They must accept the risks, difficulties, and opportunities presented by the surge of new technologies and adjust to their potential. This critical assessment sets out to analyze the complex effects that emerging technologies will have on the accounting industry. It explores the disruptive dynamics at work, the opportunities they create, and the moral and legal issues that go along with this technological wave. We want to unbiasedly evaluate the potential benefits and risks of incorporating future technologies into accounting procedures, without taking a biased stance. We will closely examine the possible benefits of increased efficiency and the risks associated with a dependence on algorithms that is too great, the moral issues surrounding data security and privacy, and the changes that must be made to accounting education and training in order for the field to stay relevant in the age of digitalization.

This study also takes into account how changing stakeholder expectations—such as those of enterprises, clients, and regulatory agencies—are influencing accounting going forward. Understanding how technology is changing the work of accountants, how financial information is managed, and how it affects the larger company landscape is critical as the information age develops. With the hope of enlightening practitioners, educators, and politicians alike, we hope to present a fair and impartial examination of the current accounting revolution in this thorough investigation. Our mission is to clarify the significant ramifications of this technological revolution and assist interested parties in navigating the unknown waters of the digital frontier. In the end, we hope to guarantee that the accounting profession will continue to fulfil its core duty of upholding financial integrity and transparency in a world that is becoming more and more digital.

2. LITERATURE REVIEW

There has been a significant shift in the traditional role of accountants as record-keepers and financial historians. Accounting professionals are expected to use data analytics and predictive modelling to develop into strategic business consultants, according to studies by **Alles et al. (2019) and Arvidsson et al. (2014).** These investigations emphasize how important it is for auditors to learn how to make decisions based on information as well as how to adjust to a workplace where data is a key resource. Artificial intelligence (AI) and automation are changing the accounting industry. Scholars **DeBerg et al. (2019) and Mannisto et al. (2020)** examine the applications of artificial intelligence (AI) and robotic process automation (RPA) in optimizing everyday operations, decreasing errors, and augmenting productivity. With the help of these technologies, accountants will have more time to dedicate to higher-value tasks. Data security and privacy are challenges brought up by the combination of technology. The hazards brought up by storing confidential financial information in digital formats are highlighted by research by **Fanning and Cogger (2017).** The academic literature often emphasizes the necessity of strong safety precautions to guard prevent data intrusions. According to empirical investigation, multiple tags are provided by users for the same notion, which may complicate the usage of tags for search. Furthermore, it seems that users create duplicate tags; a large number of tags only contain the item's title.

Enterprises in manufacturing, shipping, finance, healthcare, and the global supply chain are all seeing a rapid technological shift thanks to new and novel technology. The methods used in accounting as well as academic circles will be significantly impacted by several of these new technologies. Scholars underline the possible disruptive effects of several technology breakthroughs, including Blockchain technology, AI, ML, cloud computing and Big data analytics **(Kokina & Davenport, 2017; Moll & Yigitbasioglu, 2019).** As observed by **Richins et al. (2017) and Andersen (2019),** these developments are causing major shifts in the discipline the arena of accounting is one of the few that will constantly undergo change and adaptation due to the advancement and application of artificial intelligence (AI) blockchain technology, cloud computing, massive data sets, analytics for data, and robotic process robotics. According to **Ibrahim et al. (2021),** technologies like artificial intelligence, cloud computing, big data, and advanced analytics tools present novel possibilities and ways to improve accountants' capacity to operate in the fast-paced, complicated world of the modern era.\

580 respondents from sixteen nations were polled by **KPMG International (2017)** on important disruptive technology adoption trends as well as the effects of these innovations on companies and their approaches to investing. The technologies with the greatest influence, according to research participants, were data analytics and large-scale data collection (77%), followed by cloud computing (74%)

2.1 Cloud Accounting

The public cloud deployment methodology is used by the majority of enterprises to implement cloud technologies. Because it enables businesses to pay for the service only when it is used, future use expenses may be easily tracked as the business grows **(Du & Cong, 2015).**

Current developments indicate that accounting software on cloud platforms is used by businesses of all sizes. A Eurostat poll from 2021, which was carried out by national statistics authorities, found that 41% of EU businesses with over ten employees used cloud computing in 2021—a five percentage point increase from 2020—primarily for email hosting and electronic file storage. More advanced cloud-based end-user accounting and finance software is used by about 47% of those businesses **(Eurostat, 2021).**

They found that making the switch to cloud accounting software has restrictions and disadvantages for firms that should be carefully considered. The dependability of their internet connection and the cloud platform supplier's trustworthiness are both main issues that user companies are anxious about. **(Du&Cong,2010).**

2.2 Artificial Intelligence, Data Analytics, and Big Data

The explosive growth of digital technologies, especially in the domains of cell and web technology, is directly responsible for the vast data explosion. This has resulted in an astounding phenomenon whereby the amount of data collected globally multiplies roughly every 18 months. Companies have amassed more data in the last two years than they did throughout the course of the preceding 2,000 years, which is evidence of this tremendous expansion. **(Warren et al., 2015).**

High volume, high velocity, and/or high variety of information assets are characteristics of big data, which calls for creative and economic data mining techniques improve understanding, decision-making capabilities, and process automation, resulting in better accounting and auditing operations. Volume refers to the amount of data; it denotes a significant quantity of records.

The increased rate or frequency at which data is created is referred to as velocity. Variety includes all of the different kinds of data that are produced, such as calls, social media posts, site traffic, GPS data, and photographs. This data comes from a number of sources, including sensors from businesses and private users, satellites, social media feeds, images, and data produced by various physical and online devices (such GPS units in automobiles and phones, phone signals, and cameras) **(Gartner 2016).** Furthermore, according to **White (2012),** a decisive part of big data is its veracity, which relays to the worth of the data and the degree of faith in diverse data bases.

Vasarhelyi and Warren et al. (2015) found that how modern methods of valuing intangible assets is impacted by big data and data analytics. This comprises components including the clientele, brand equity, and potential liabilities. Interestingly, in the case of mergers, these characteristics might not show up on the individual balance sheets of the participating companies; instead, they might only show up in the consolidated financial statements of the parent company or the acquirer's financial accounts. **Cong et al., (2018)** they observed that Data from business-to-customer (B2C) and business-to-business (B2B) interactions may be used to support a more modern approach to cost appraisal for assets such as inventory and property, plant, and equipment (PPE). Contemporary technology facilitates enhanced calculations of depreciation charges, which can benefit even the traditional cost value of PPE. For example, the depreciation charge computation can now make use of particular sensor data gathered from the machines, giving information about how the item of property is really being used.

Bhimani & Willcocks (2014) they observed that accounting procedures be changed in order to implement extensive data collection and analytic tools and activities in order to effect this change. The purpose of these improvements is to provide data that more correctly represents the production of predicted value to the economy.

Corporate reporting may change as a result of the application of analytic to big data, moving closer real-time reporting and placing more of a focus on the viewpoint component of data source **(Krahel & Vasarhelyi,2014; Al Htaybat & von Al htaybat 2017). Chanyuan et al., (2023)** found five themes in their study namely (1) workforce, (2) governance of IT, (3) privacy and security, (4) system ecological responsibility, and (5) measuring RPA success that are linked to the use of robotic process automation (RPA) in accounting tasks. They also observed the important insights that will help ensure that RPA deployment in accounting is successful. Their study sheds light on the effects of RPA adoption and provides insightful viewpoints for practitioners as well as research scholars.

Lazarus Elad et al., (2023) observed that the digital devices have the ability to improve internal controls and expedite scam anticipation and discovery. This will help close the expectation gap around these important issues. This could reduce future expectation gaps by hastening the mitigation of impending issues and risks. Adopting a positive approach has potential benefits for audit businesses, including lower expenses, higher audit quality, and improved client opinions of auditors.

2.3 Blockchain technology

Ting Yu, Zhiwei Lin, Qinglian Tang (2019) observed that the Block chain technology is still in its testing stage and faces a number of obstacles, including restricted storage and processing power, problems regarding data secrecy, and legal restrictions.

Ageeva, O., Karp, M., Sidorov, A. (2021). They found that the notable developments in the fields of financial reporting and auditing have emerged, such as the incorporation of digitalization, the clarification of big data handling processes, the move to online reporting, and the implementation of continuous auditing methods. A suggested algorithm describes the use of blockchain technology in accounting, reporting, and auditing.

Abdennadher Sonia and Rihab Grassa et, al. (2022) they found that the there was a significant impact of Blockchain technologies on the accounting professional in relation to transitions recording, financial data storing evidence and launching a secure setting for conducting business transactions

3. OBJECTIVES OF THE STUDY

This research holds paramount importance for several fascinating reasons. Firstly, the integration of technologies in these domains possesses the potential to transform existing methods, providing enhanced efficiency, transparency, and security in the face of rapidly evolving technology. Grasping the intricate complications of technologies adoption is vital for scholars, professionals, and regulatory bodies, especially in the swiftly changing landscape of digital finance, ensuring a proactive stance in navigating technological disruptions. The following objectives are set forth.

1. To study the overview of technologies in accounting and auditing Practices
2. To examine the impact of technology in accounting and auditing practices
3. To assess the technologies, improve financial reporting

4. HYPOTHESES

Ho1: There is no impact of technology in accounting and auditing practices

Ho2: There are no technologies, improve financial reporting

5. RESEARCH METHODS

This research focuses on the population of companies in India that adopt new technology in accounting and audit practices to enhance transparency in financial reporting. A sample randomly drawn from this population to gather robust evidence. Selected companies were Wipro Ltd, Infosys Ltd., TCS Ltd. The study used both primary and secondary data sources. Primary data were collected by the distribution of questionnaires, while secondary data were gathered through a thorough review of pertinent documents. The surveys were distributed to finance officers, accountants, and auditors at different organizations. A total of 105 questionnaires concentrating on the integration of modern technologies into accounting and audit methods were issued to organizations that follow international regulations. However, just 79 surveys were returned, with 75 yielding valid results, for a response rate of 71.4%. These respondents were chosen because of their perceived expertise and knowledge and could provide important perspective on its new technologies in accounting and audit practices, thereby enhancing transparency in financial reporting.

Theoretical Framework

A theoretical framework delves into, elucidates, interprets, analyses, and presents the facts, principles, and provisions of phenomena to enhance comprehension and to gain an elementary knowledge of these events, the study builds on **Frank's (1979)** research. To achieve the investigation's goals and test the research hypotheses, this study uses a theoretical framework initially developed by Sharif (2020), with a few amendments.

Hypotheses Development

As per **Frank (1979),** a hypothesis is a tentative declaration of reality that has to be verified through the investigator. In this investigation the depended variable is new technology in accounting and audit practices, while the independent variables are Technological Advancements, Regulatory Environment, Cost and Resource Availability, Training and Skill Development.

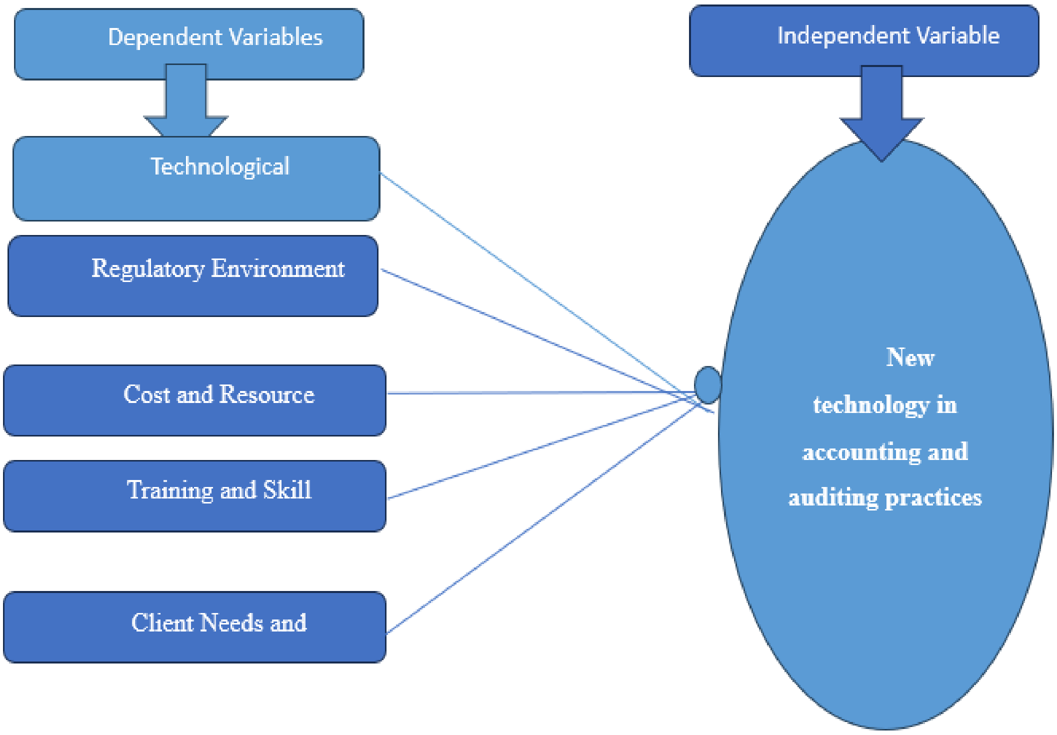

Figure 1: Factors affecting the new technology in accounting and auditing practices

Source: Authors work

Let me discuss the factors in detail manner in the below table:

Table 1: Factors affecting the new technology in accounting and auditing practices

SI. No	Factor	Detail description
1	Technological Advancements	The step of technological growth has a direct impact on how accounting and auditing jobs are completed. AI, machine learning, blockchain, and cloud computing are all emerging technologies that have the potential to greatly improve efficiency and accuracy.
2	Regulatory Environment	The implementation of novel laws and regulatory obligations can have a substantial effect on the usage of know-how in accountancy and auditing operations. Compliant with guidelines like GAAP or IFRS frequently requires specialist technical knowledge.
3	Cost and Resource Availability	Experts' reluctance to change is a further factor influencing the adoption of new technologies in accounting and auditing operations. i.e., the cost of developing and sustaining technology solutions, as well as the availability of qualified staff to handle them, can have an impact on adoption rates. Littler businesses might face challenges because of inadequate resources
4	Training and Skill Development	Adequate training and skill development programs are necessary to empower accounting and auditing professionals to effectively utilize new technologies. Lack of training can impede adoption and limit the benefits of technological advancements.
5	Risk Management Considerations	Assessing and mitigating risks associated with the adoption of new technologies is crucial. Risks may include data breaches, system failures, and compliance lapses, highlighting the importance of robust risk management frameworks

Source: Authors work

6. DATA ANALYSIS & INTERPRETATION

1) To what extent has your organization adopted digital technologies in accounting and auditing processes?

Table 2: Adoption of digital technology in accounting and Auditing Technology

	Respondents	Percent
Not at all	0	0
To a small extent	0	0
To a moderate extent	0	0
To a large extent	31	41.33
Fully integrated	44	58.67
Total	**75**	**100**

Source: Primary Data

The above table observed that the majority of respondents (58.67%) regard the issue as "fully integrated," with a considerable portion (41.33%) seeing it as integrated to a large level. No respondents reported lower levels of integration, indicating a generally good opinion concerning integration throughout the studied population.

Finally, it is concluded that the sample companies were fully integrated the digital technologies in accounting and auditing process namely; big data, AI and blockchain technology etc.

2) Which specific digital technologies has your organization been implementing or considering implementing in accounting and auditing practices?

Table 3: Implementing technologies in accounting and Auditing

Technologies	Respondents	Percent
Robotic Process Automation (RPA)	21	28
Artificial Intelligence (AI)	26	35
Blockchain	16	21
Cloud Computing	0	0
Data Analytics	12	16
Other (please specify)	**0**	**0**
Total	**75**	**100**

Source: Primary Data

The above table revealed that while Robotic Process Automation (RPA) and Artificial Intelligence (AI) are the most prevalent technologies, with 28% and 35% adoption rates respectively, Blockchain and Data Analytics follow suit with adoption rates of 21% and 16% respectively.

Interestingly, Cloud Computing does not currently register any adoption among the surveyed organizations. The findings underscore a discernible trend towards leveraging advanced digital tools such as RPA and AI to streamline accounting and auditing processes.

These technologies offer opportunities for increased efficiency, accuracy, and scalability in handling financial data and analytical tasks.

3) The adoption of digital technologies impacted internal controls in financial reporting / accounting processes?

Table 4: Technologies impacted internal controls in financial reporting / accounting processes

Likert Scale	Respondents	Percent
Significantly improved	47	63
Improved	28	37
No significant change	0	0
Declined	0	0
Significantly declined	0	0
Total	**75**	**100**

Source: Primary Data

Table 4 results demonstrate a predominantly positive impact of digital technology adoption on internal controls within financial reporting and accounting processes. Notably, a significant majority of respondents (63%) report a perception that digital technologies have significantly improved internal controls. Additionally, 37% of respondents indicate that while the impact is not as pronounced, it has still led to improvements. The absence of responses indicating a decline or no significant change suggests a consensus among surveyed professionals regarding the beneficial influence of digital technologies on internal control mechanisms. This alignment underscores the recognition of digital tools as facilitators for enriching the trustworthiness, efficiency, and accuracy of monetary reporting and accounting processes. These findings underscore the pivotal role of digital transformation in bolstering internal controls within the realm of financial reporting and accounting. Such insights are instrumental for organizations seeking to leverage technology effectively to fortify their control environments and uphold the integrity of their financial information.

4) Have you observed any changes in fraud prevention and detection capabilities since the introduction of digital technologies?

Table 5: Changes in fraud prevention and detection capabilities since the introduction of digital technologies

Variable/Gender	Male	Female	Total
Yes	54(72)	13(17)	67(89)
No	06(8)	02(3)	08(11)
Total	**60**	**15**	**75**

Source: Primary Data

The table 5 presents data on changes in fraud prevention and detection capabilities since the introduction of digital technologies, segmented by gender. The data is organized into two categories: "Yes" indicating individuals who have observed changes and "No" indicating those who haven't. Upon analysis, it is evident that a majority of respondents, 67 out of 75 (89.33%), have observed changes in fraud prevention and detection capabilities since the advent of digital technologies. Among these, 54 are male and 13 are female. Conversely, a smaller proportion, 8 out of 75 (10.67%), reported no observed changes, with 6 males and 2 females falling into this category.

This data suggests a widespread acknowledgment of the impact of digital technologies on fraud prevention and detection, with a significant majority recognizing improvements or alterations in capabilities. However, it's worth noting that a minority still perceives no noticeable changes, indicating potential variations in experiences or perceptions within the surveyed population.

Further qualitative research may be warranted to delve deeper into the reasons behind these differing perspectives.

The Respondents are revealed the following changes are in fraud prevention and detection capabilities since the introduction of digital technologies (1) Digital technologies have facilitated the creation of advanced algorithms and machine learning models capable of analyzing large volumes of data in real-time.

These structures can notice designs indicative of fraudulent activity more effectively than traditional methods. (2) Digital technologies have facilitated the collection and the analysis of vast amounts of information via many sources, such as transaction records, customer behavior, and external databases, is critical to making educated decisions and carrying out appropriate accounting and auditing procedures.

Advanced data analytics techniques can uncover hidden correlations and anomalies that may indicate fraudulent activity.

5) Are you currently facing any challenges with technologies in financial reporting / accounting?

Table 6: Challenges with technologies in financial reporting / accounting

Variable/Gender	Male	Female	Total
Yes	57(76)	09(12)	66(88)
No	03(4)	06(8)	09(12)
Total	**60**	**15**	**75**

Source: Primary Data

The majority of respondents, 66 out of 75 (88%), are currently facing challenges with technologies in financial reporting and accounting. Among these, 57 are male, while only 9 are female. Conversely, a smaller proportion, 9 out of 75 (12%), reported not facing challenges, with 3 males and 6 females in this category.

This data underscores a widespread recognition of the difficulties encountered by professionals in financial reporting and accounting due to technology-related challenges. Respondents are revealed the following challenges with technologies in financial reporting. (1) Integration of Systems (2) Data Security and Privacy (3) Skills Gap (4) Cost of Implementation.

6) Do the technologies improve the financial reporting?

Table 7: Technologies improve the financial reporting

Variable/Gender	Male	Female	Total
Yes	60(80)	15(20)	75(100)
No	0(0)	0(0)	0(0)
Total	**60**	**15**	**75**

Source: Primary Data

The table 7 indicates that there's a strong perception among respondents that technologies do improve financial reporting. However, there seems to be a gender disparity in this perception, with a significantly higher proportion of males believing in the positive impact of technologies on financial reporting compared to females.

In finally, the data suggests a consensus among respondents that technologies improve financial reporting, with a notable difference in perception between genders.

Hypotheses testing:

Ho1: There are no technologies, improve financial reporting

Table 8: Observed frequency

Variable/Gender	Male	Female	Total
Yes	57	10	67
No	3	5	8
Total	60	15	75

Source: Primary Data

Table 9: Expected frequency

Variable/Gender	Male	Female	Total
Yes	54	13	67
No	6	2	8
Total	60	15	75

Source: Primary Data

Table 10: Statement showing Chi -Square test value

O	E	O-E	$(O-E)^2$	$(O-E)2/E$
57	54	3	9	0.16667
10	13	-3	9	0.69231
3	6	-3	9	1.5
5	2	3	9	4.5
	Chi -Square test value			6.858974

Source: MS Excel

The above table 10 portrays that the chi-square value i.e., 6.858974 is greater than the table value of Chi Square test i.e., 3.84. So, null hypothesis rejected at 5% level of significance with dof (c-1), (r-1). Hence, it is concluded that there is a technology, improve financial reporting. It means there is a positive technology improve financial reporting. Respondents revealed that over the years, technological advancements have significantly improved the efficiency, accuracy, and transparency of financial reporting process. Various technologies namely, data analytics tools, blockchain, cloud computing and accounting software, Artificial intelligence have been leveraged to streamline financial reporting activities of an entities. These technologies can automate routine analyze large volume of data quickly, enhance data security, and also facilitate real -time insights into financial performance. However, it's important to note that while technology can greatly enhance financial reporting, its nota standalone solution. Effective financial reporting also depends on factors such as sound accounting principles, regulatory compliance, skill professionals, and robust internal control. The formula to calculate the chi-square statistic is:

$$\chi 2=\sum E(O-E)2$$

- $\chi 2$ is the chi-square statistic,
- O is the observed frequency,
- E is the expected frequency,
- $\sum$ indicates summation over all cells

Let's calculate the chi-square statistic:

For the "Yes" category:

$$\chi 2 \text{ Yes}=54(57-54)2+13(10-13)2=549+139\approx 0.167+0.692\approx 0.859$$

For the "No" category:

$$\chi 2 \text{ No}=6(3-6)2+2(5-2)2=69+29=1.5+4.5=6$$

Now, we sum up both chi-square values:

$$\chi 2=\chi \text{Yes}2+\chi \text{No}2\approx 0.859+6\approx 6.859.$$

Having calculated the chi-square statistic, the next step is to determine its significance level. This involves comparing the calculated chi-square value with a critical value from the chi-square distribution table at a given significance level (usually 0.05 or 0.01) and degrees of freedom.

In this case, the degrees of freedom (*df*) can be calculated as:

$$df=(r-1) \times (c-1)$$

Where r is the number of rows and C is the number of columns int the contingency table. Here, r =2 and c=2, so df= (2-1) X (2-1) =1

Ho2: There is no impact of technology in accounting and auditing practices

Table 11: Observed frequency

Likert Scale/Gender	Male	Female	Total
Significantly improved	32	0	32
Improved	28	15	43
No significant change	0	0	0
Declined	0	0	0
Significantly declined	0	0	0
Total	**60**	**15**	**75**

Source: Primary Data

Table 12: Expected frequency

Likert Scale/Gender	Male	Female	Female
Significantly improved	27	5	32
Improved	33	10	43
No significant change	0	0	0
Declined	0	0	0
Significantly declined	0	0	0
Total	**60**	**15**	**75**

Source: Primary Data

Table 13: Statement showing Chi -Square test value

O	E	O-E	(O-E)^2	$(O-E)2/E$
32	27	5	25	0.92593
28	33	-5	25	0.75758
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	5	-5	25	5
15	10	5	25	2.5
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
	Chi -Square test value			**9.1835**

Source: MS Excel

The above table 13 depicts that the chi-square value i.e., 9.1835 is greater than the table value of Chi Square test i.e., 3.841. So, null hypothesis rejected at 5% level of significance with dof (c-1), (r-1). Hence, it is concluded that there is a positive impact of technology in accounting and auditing practices. Because respondents revealed that technology has significantly impacted on accounting and auditing practices. (1) **Automation**: Majority respondents agreed that technology has made it possible to automate tedious tasks like data entry, reconciliation, and report preparation. This not only decreases the time and effort required for these operations, but also lessens the danger of human error. (2) **Blockchain Technology:** More than 95% respondents' opinion is that Blockchain technology has the ability to alter audit processes by creating a secure and immutable ledger of transactions. It increases openness, lowers the risk of fraud, and improves the efficiency of audit trails. (3) **Remote Auditing**: They said that they were using the advances in technology have made remote auditing possible, allowing auditors to conduct engagements without physically visiting client sites. Virtual collaboration tools, video conferencing, and secure file-sharing systems allow auditors to successfully carry out their duties virtually any location around the globe.

7. CONCLUSION

The study has substantial implications for how accounting records are generated and audited. Whereas the incorporation of evolving technology tools in transactions raises the probability of substantial error, they also create novel possibilities for auditing techniques. Conventional methods for auditing are becoming increasingly obsolete as technology advances. Software for auditing enabled by developing technologies increases the value delivered to audits by helping auditors to accomplish their jobs more quickly, efficiently, and effectively. Growing audit technologies assist auditors in acquiring sufficient and relevant audit evidence through actions such as vouching, tracing, verification, recalculation, re-performance, and third-party digital verification. These technologies also help with the study of systems utilizing audit software. As a result, auditors must adapt their perspective to accept developing technology capabilities when auditing their customers' financial accounts.

The results of the research demonstrate that technology adoption, technological hurdles, and simplicity of access all have positive effects on the usage of novel tools in audit. It has also been observed that there is technologies that may enhance financial reporting. It indicates that there is a favourable technological improvement in financial reporting. The participants stated that technological developments over the years have considerably enhanced the efficiency, accuracy, and transparency of the financial reporting process. Finally, it's decided that technology has a positive effect on auditing and accounting methods.

References

1) Abdennadher, S., Grassa, R., Abdulla, H. and Alfalasi, A. (2022), "The effects of blockchain technology on the accounting and assurance profession in the UAE: an exploratory study", *Journal of Financial Reporting and Accounting*, Vol. 20 No. 1, pp. 53-71. https://doi.org/10.1108/JFRA-05-2020-0151

2) Ageeva, O., Karp, M., Sidorov, A. (2021). The Application of Digital Technologies in Financial Reporting and Auditing. In: Popkova, E.G., Sergi, B.S. (eds) "Smart Technologies" for Society, State and Economy. ISC 2020. Lecture Notes in Networks and Systems, vol 155. Springer, Cham. https://doi.org/10.1007/978-3-030-59126-7_167

3) Al-Htaybat, K. & von Alberti-Alhtaybat, L. (2017) "Big data and corporate reporting: impacts and paradoxes", *Accounting, Auditing & Accountability Journal*, vol. 30, no. 4: 850–873

4) Andersen, C. (2019) "Technology in Accounting: Disruptive Innovations and Implications", An Honors Thesis (HONR 499), E-library, Ball State University, Muncie, Indiana, available online at https://core.ac.uk/download /pdf/228159815.pdf (Retrieved Feb 20, 2024)

5) Bhimani, A. & Willcocks, L. (2014) "Digitisation, 'big data' and the transformation of accounting information", *Accounting and Business Research*, vol. 44, no. 4: 469-490

6) Chanyuan Zhang (Abigail), Abigail, Hussein Issa, Andrea Rozario, and Jonas Sveistrup Soegaard (2023) Robotic Process Automation (RPA) Implementation Case Studies in Accounting: A Beginning to End Perspective*, Accounting Horizons* (2023) 37 (1): 193–217.

7) Cong, Y., Du, H. & Vasarhelyi, M.A. (2018) "Technological disruption in accounting and auditing", *Journal of Emerging Technologies in Accounting*, vol. 15, no. 2: 1-10

8) Daniel E. O'Leary Crowdsourcing Tags in Accounting and Finance: Review, Analysis, and Emerging Issues

9) Du, H. & Cong, Y. (2010) "Cloud computing, accounting, auditing, and beyond". The CPA Journal, New York, NY: New York State Soc. of Certified Public Accountants

10) Du, H. & Cong, Y. (2015) "Going cloud for agility: Beyond financial, system, and control motives", *Journal of Emerging Technologies in Accounting*, vol. 12, no. 1: 153-167

11) Eurostat (2021) "Cloud computing - statistics on the use by enterprises", available at https://ec.europa.eu/eurostat/statisticsexplained/index.php?title=Cloud_computing_-_statistics_on_the_use_by_enterprises#Use_of_cloud_computing:_highlig hts (Retrieved January 20,2024)

12) Gartner (2016) "IT glossary", available at: http://www.gartner.com/it-glossary/bigdata/ (Retrieved November 13, 2021).

13) Ibrahim, S., Wan sallha, Y & Rashid, I. (2021) "A systematic review of disruptive technology within accounting and accounting sector", AIP Conference Proceedings 2339

14) Kokina, J. & Davenport, T.H. (2017) "The emergence of artificial intelligence: How automation is changing auditing", *Journal of Emerging Technologies in Accounting*, vol. 14, no. 1: 115-122

15) KPMG (2017) "The disruptors are the disrupted - Disruptive technologies barometer: Technology sector", available at: https://assets.kpmg/content/dam/kpmg/xx /pdf/2016/11/disruptive-technologies-barometer-tech-report.pdf (Retrieved December 14, 2021)

16) Krahel, J.P. & Vasarhelyi, M.A. (2014) "AIS as a Facilitator of Accounting Change: Technology, Practice, and Education", *Journal of Information Systems*, vol. 28, no. 2: 1-15

17) Lazarus Elad Fotoh, Johan Ingemar Lorentzon (2023) Audit Digitalization and Its Consequences on the Audit Expectation Gap: A Critical Perspective. *Accounting Horizons* 1 March 2023; 37 (1): 43–69. https://doi.org/10.2308/HORIZONS-2021-027

18) Moll, J. & Yigitbasioglu, O. (2019) "The role of internet-related technologies in shaping the work of accountants: New directions for accounting research", *The British Accounting Review*, vol. 51, no. 6

19) Richins, G; Stapleton, A; Stratopoulos, T & Wong, C. (2017) "Big Data Analytics: Opportunity or Threat for the Accounting Profession?", *Journal of Information Systems,* vol. 31, no. 3: 63–79

20) Ting Yu, Zhiwei Lin, Qingliang Tang (2019) Blockchain: The Introduction and Its Application in Financial Accounting, *The journal of corporate accounting and finance,*

21) Vasarhelyi, M.A., Kogan, A. & Tuttle, B.M. (2015) "Big data in accounting: An overview", *Accounting Horizons*, vol. 29, no. 2: 381-396

22) Warren, J.D., Moffitt, K.C. & Byrnes, P. (2015) "How big data will change accounting", *Accounting Horizons,* 29, no. 2: 397-407

23) White, M. (2012) "Digital workplaces: Vision and reality", *Business Information Review,* vol. 29, no. 4: 205-214