

Analysing Accounting Professionals' Readiness for Digital Economy Using the Theory of Organisational Readiness for Change

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Abstract

The Malaysian government has launched its own initiative called MyDigital with the hope of transforming the country into a digitally-driven, high income nation and a regional leader in the digital economy. As accounting is one of the professions most affected by technological advancements, the current study seeks to examine the readiness of Malaysian accountants to embrace digitalisation using the theory of the organisational readiness to change by Weiner (2009). The study was conducted using a self-administered questionnaire, which was distributed to 384 accountants registered with Malaysia Institute of Accountants (MIA). The results revealed that change valence and task knowledge have significant positive relationship with the change commitment while the resources availability failed to prove a significant impact over change commitment. Simple regression analysis also proved that change valence, task knowledge and resources availability have a positive significant correlation towards change efficacy. The findings of the current study will provide a worthy understanding into the Malaysian accounting professionals' readiness to embrace the digital transformation, as very few in-depth studies have been conducted in this context. Besides that, the relevant authorities particularly the government, the accounting governing bodies and the businesses in general may utilize the findings with regards to the determinants of readiness amongst accounting professionals in better preparing them to become future-fit professionals.

Keywords: Accounting Profession, Digital Economy, Digitalisation, Readiness, Organisational Change Theory.

Introduction

The digital economy has taken center stage and opened up new possibilities for international synergy as it is becoming ubiquitous in modern life. The Fourth Industrial Revolution (4IR) and rapid technological advancements have the potential to significantly alter the global

economic landscape. Furthermore, the current global pandemic has forced the people, business and the government to adapt to digitalization as part of their daily needs. In response to the digital wave, the government of Malaysia has officially launched the MyDigital initiatives as part of the plans to transform the country into a digitally-driven, high income nation and a regional leader in the digital economy. Malaysia began its digitalisation journey in 1996 with the initiation of the Multimedia Super Corridor (MSC). This initiative has been a success by attracting local and foreign information and communication technology (ICT) corporations to operate in assigned economic territories (Ramasamy et al., 2004).

The digital revolution has undeniably brought new challenges for the financial and accounting roles that focus on adding value to businesses (Hood, 2018). When machines take over repetitive, time-consuming and redundant tasks, it will force the accountants to do more in-depth, higher-level analysis and consultation support for businesses. Even though most of the tasks are automatically done by the machines, there's nothing that can replace the emotional intelligence humans bring to a job. Hence, the accountants need to embrace digitalisation since it plays a significant role in ensuring business remains competitive in the global economy. Accordingly, the national accounting body of Malaysia, Malaysia Institute of Accountants (MIA) has recognized the impact of MyDigital and several strategic thrusts under Malaysia Digital Economy Blueprint towards accountants. Amongst the thrusts relevant to the accounting profession are to drive digital transformation in the public sector in which MIA members need to improve their competency and capacity, to boost economic competitiveness through digitalisation, to build agile and competent digital talent which requires accountants and members to shift their priority in order to gain digital competency and to build a reliable, firm and ethical digital domain where every accountant must improve their knowledge and understanding in cyber security practice to enable them to significantly contribute as advisory towards business sustainability, risk management and value preservation.

Considering and anticipating all dynamic factors surrounding digitalisation and technological advancement, MIA has launched MIA Digital Technology Blueprint in 2016 to ensure that each and every accountant in Malaysia is well-prepared to face any future changes in economy (Izma, 2018). MIA Digital Technology Blueprint has outlined initiatives necessary for accountants in confronting challenges in digital economy implementation. For instance, a survey has been conducted in 2017 and 2019 involving 1,126 registered accountants. The respondents are asked to provide some feedback on their adoption of technology. The results of the survey revealed that 93 percent of respondents rated technology as crucial, and 92 percent said they were very interested in learning more about technologies affecting the accounting profession. Furthermore, the survey found that 52 percent and 36 percent of respondents, respectively, intend to use data analytics tools and artificial intelligence (AI) in the next three years, indicating the effectiveness of MIA's advocacy for the profession's digital transformation (MIA Professional Practices and Technical Team, 2020).

Nonetheless, as far as researchers are concerned, there is a limited number of studies conducted regarding readiness level on technological adaptability among accountants in Malaysia despite the survey findings indicating significant level of interest in exploring technology. Motivated by the country's digital economy implementation and considering accounting as one of the professions most affected by technological advancements, this study

intends to explore the Malaysian accounting professionals' readiness to embrace digitalisation. Adapting to Weiner's Organizational Readiness for Change Theory, readiness for the digital economy was determined using the change commitment and change efficacy, with three determinants of readiness being change valence, task knowledge, and resource availability (Weiner, 2009). The study's findings will provide a worthy understanding into the readiness of Malaysian accounting professionals to embrace digital transformation, as very few in-depth studies have been conducted in this context. Besides that, the relevant authorities particularly the government and the accounting governing bodies as well as the businesses in general may utilize the findings with regards to the determinants of readiness amongst accounting professionals in better preparing them to become future-fit professionals.

The rest of this paper is structured as follows. The following section provides context for the current study by describing the changing roles of accounting professionals in the digital economy, followed by prior literature and the development of hypotheses. The research methodology section describes research methods, detailed sample explanation, collection of data as well as the regression models that are to be examined in arriving at desired results. The following section discusses the findings and discussion whilst the final section concludes the outcome of the study.

Literature Review

The Roles of Accounting Professionals in the Digital Economy

Digital economy is defined as functions primarily by means of digital technology, principally electronic transactions made using the Internet ("Digital economy", 2017). New digital technologies, such cloud computing, mobile Internet services, intelligent and social networks, significantly change the business environment, change the working environment, corporate borders and the responsibilities of the leaders (Kupenova, Baimukhanova, Nurgalieva, Zhunisova & Nurmukhan, 2020). These changes in technology do alter the types of jobs available but at the same time they will allow for many new opportunities (Kruskopf et al., 2020; Tekbas, 2018; Herbert et al., 2016). The manner in which businesses carry out digital technologies shall be a critical factor in their future growth, and the ability to exchange information and meaning among employees will be a critical skill that employees must learn (Suhr, 2021). Looking through the accounting context, digital accounting means all accounting transactions are conducted in an electronic environment whereby it can be electronically manipulated and transmitted (Deshmukh, 2006). Consequently, future accounting professions are going to demand new ways of thinking, skills and figure out the best way to adapt with the technology revolution. The unclear issue regarding these changes is on how accounting professionals can remain resilient and stay ahead of the curve.

During the keynote presentation at the MIA International Accountants Conference, fellow accountants are urged to embrace digital skills and digital literacy as the profession will play a tremendous role in driving and supporting the development of the digital economy (Radzi, 2019). Although China and the United States are currently dominating the digital economy, the sector is the largest in Taiwan, Ireland and Malaysia in terms of proportion of the Gross Domestic Product (GDP)(United Nations Conference on Trade and Development, 2019). The contributions from digital services and products were valued at 18.5% of GDP in 2018 (*Department of Statistics Malaysia, n.d*). According to *Bank Negara Malaysia Annual Report*

2017 (2018), digital transformation could provide a boost of between USD100–136 billion to the country's GDP by 2025. The influence of digital transformation continues to impact almost all sectors of society, including the finance and accounting area (Sunil, 2021). Therefore, it is essential for accounting professionals to remain vigilant in embracing continuous changes in the digital economy (Frolova et al., 2021).

In addition to all of this, the Covid-19 pandemic has also brought drastic changes in how accounting practitioners work and interact with each other. Working and collaborating completely virtually is significantly different from doing it in person (Newman & Ford, 2021). The pandemic and the regulations that have been put in place to combat it, such as nationwide lockdowns and travel restrictions have greatly accelerated digitalisation. However, there have been very few if any structured literature reviews focusing specifically on the accounting professionals' readiness for digitalisation in both research and practice. Prior studies on digital economy towards accounting profession have focused on the challenges and opportunities (Abd Razak et al., 2021; Kruskopf et al., 2020; Gulin et al., 2019; Tekbas, 2018; Greenman, 2017; Hoffman, 2017; Herbert et al., 2016), impact of technologies on accounting education (Zhang, 2018; Rai et al., 2010) and perception on skills needed for future accountants (Kruskopf et al., 2020; Pan & Seow, 2016; Ismail & Abidin, 2009; Beaman & Richardson, 2007; Chayeb & Best, 2004; Burnett, 2003).

Organisational Readiness for Change Theory

Readiness to change is an essential component for the successful execution of transformation. Weiner developed the Organisational Readiness for Change Theory (ORCT) in 2009, based on Gist and Mitchell's Social Cognitive Theory and Self-efficacy Theory (1992). Concisely, the term "readiness" refers to a state of being both psychologically and behaviourally prepared to take action in regards to the change (Weiner, 2009). In a situation where the organisational readiness is high, members of the organisation are more likely to get the proposed change off the ground by putting extra efforts and willingness to work collectively in making sure the proposed change could be materialized successfully (Weiner, 2009). On the contrary, when there is a low organisational readiness, members are more likely to resist the change and reluctant to cooperate which eventually results in less effective transition. This is consistent with the findings of a study conducted by Bouckenoghe, De Vos and Van den Broeck (2019) which implied that when members are prepared, the organisation as a whole is more inspired to transform and hence, resistance could be minimized. In the context of the present study, readiness refers to the inclination and willingness of the accounting professionals to adopt and utilize digital technology to acquire the maximum benefits from those technologies in order to bring individuals, organisations, industry and the country to achieve their objectives faster with greater efficiency (Nasution et al., 2018).

According to Weiner (2009), organisational readiness has multiple facets and is distinctive for individuals, teams and departments. Members in organisations that are ready for change are more likely to engage vigorously, persist in the face of difficulties and exhibit cooperative behavior. While the converse is true, implementation and evaluation of a new intervention can be very strenuous. Because of this complexity, there are multiple approaches to assess readiness to change. Weiner (2009) suggests two key dimensions of readiness at the organisational level namely change commitment and change efficacy. Change commitment is defined as how much members are obligated to accept the change, while change efficacy

refers to members' shared beliefs in their joint ability to do what is required to implement the change. Specifically, change efficacy refers to the ability of the members of the organization to carry out the proposed change. The higher change efficacy, the higher capability of the organization to implement the change which suggested a higher level of readiness for change (Weiner, 2009).

ORCT proposed three determinants for organisational readiness namely change valence, task knowledge and resources availability (Weiner, 2009). The first factor, change valence, is the element that makes a change desirable to an organisation. It is very important to determine how members evaluate whether a particular change in the organisation is beneficial or otherwise (Weiner, 2009). The more the members value the change, the more likely they will support the change initiatives and hence will be more ready to implement the change. Change valence refers to the shared values that accounting professionals perceive of the digital economy in the context of the present study. The higher change valence may indicate that embarking on digital transformation is highly valued by the accounting professionals. This is perhaps due to its positive impacts demonstrated by China and the US which have been globally recognised as digital economy leaders (Zhang & Chen, 2019). Therefore, it is expected that when accounting professionals perceive that the digital transformation is needed, important, beneficial and worthwhile, they are more committed towards embracing the change. Furthermore, it is also anticipated that change valence will affect the change efficacy of the members in the organization. This implies that when the accounting professionals appreciate the importance of digitalisation, they would impel to equip themselves with required competency which ultimately enhances their capability to embrace digital transformation effectively.

Empirical support for these assumptions can be found from few of the prior studies. For instance, Nordin (2012) studied the organisational readiness for change in a higher learning institution and the influence of leadership behavior and organisational commitment found a significant positive relationship between the value faculty members of a Malaysian university placed on a change initiative and that university's readiness to implement the change. Similarly, Yusof and Aziz (2015) found that if members of the organization of the public service under the study perceived that a new information system would make their work easier, they are more likely to implement it. In another study conducted in the health sector, the readiness of hospital staff to implement new initiatives to enhance depression care is actually depending on the value that leaders placed on that particular initiative (Rubenstein et al., 2014). Hence, grounded on Weiner's theory and the findings of prior studies discussed above, the present study hypothesizes that:

H1: Change valence and change commitment have a positive relationship.

H2: Change valence and change efficacy have a positive relationship.

The second determinant to the organisational change is task knowledge. Task knowledge is the information needed by members of the organization so that the proposed change can be implemented. In other words, members of an organisation must possess appropriate and specific apprehension concerning the change. In the context of the current study, task knowledge refers to the digital knowledge and digital literacy of the accounting professionals necessary to embrace the digital economy. Technology-savvy accounting professionals would be more willing to accept the changes brought about by the digital economy as compared to

their technology illiterate counterparts. Turta (2011), based on Weiner's theory, studied manufacturing companies in Finland and found that the readiness of business owners towards the introduction of new services components to their business were significantly influenced by their knowledge on the specific strategies needed to execute that particular expansion plan. Likewise, the task knowledge influences the readiness of Malaysian public service organisations and hospitals in developing countries in adopting new information system initiatives (Yusof & Aziz, 2015; Dasari, Garbett, Miller, Machaín & Puyana, 2016). In addition to this, similar studies have also addressed the need for accountants to be proficiently educated with knowledge and skills in digital economy (Rai et al., 2010; Pan & Seow, 2016; Kruskopf et al., 2020; Vitale, 2021). Hence, grounded on Weiner's theory and discoveries of previous literature on how task knowledge affects the organisational change readiness, the study proposes the following hypotheses:

H3: Task knowledge and change commitment have a positive relationship.

H4: Task knowledge and change efficacy have a positive relationship.

Resources availability is the third factor identified to influence the organisational readiness to change. It refers to the resources available in the organisation including human, financial and other types of resources necessary for successfully implementing the change (Weiner, 2009). In the current study, resource availability refers to the resources possessed by the accounting professionals that are essential for the digital transformation including human, financial, materials as well as the informational resources. It is expected that if the accounting professionals have adequate resources that are relevant and helpful in digital transformation, they would be more inclined to change. Previous studies have revealed that it is crucial for the organizations to have adequate resources in order to make any changes successful (Kovalenko et al., 2020; Kruskopf et al., 2020; Marr, 2018; Herbet et al., 2016). In addition to this, Aboudzadeh, Shoshtari and Hashemnia (2014) in their study discovered that resource availability has significant effects towards the readiness of an Iranian corporations in dealing with crises. Correspondingly, Dasari et al (2016); Yusof and Aziz (2015) in their research discovered that the readiness of both hospitals and Malaysian public service organisations in carrying through new information systems to boost efficiency were significantly influenced by resource availability. Therefore, the following hypotheses are proposed:

H5: Resource availability and change commitment have a positive relationship.

H6: Resource availability and change efficacy have a positive relationship.

Based on the above discussion, Figure 1 below is developed to illustrate the framework which presents the relationship between independent and dependent variables.

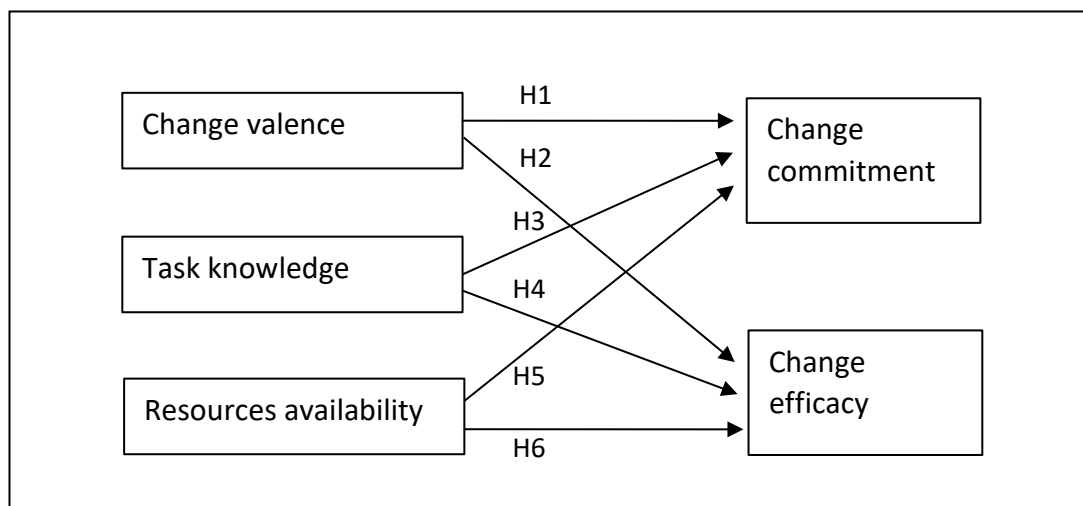


Figure 1: Theoretical Framework

Methodology

Sample Size

The present study focused on accounting professionals throughout Malaysia, hence the questionnaires were distributed to 384 accountants registered with MIA. Considering that there are 33,494 registered accountants in Malaysia, 384 would make a good sample size for this number of population (Krejcie & Morgan, 1970). The present study implemented stratified random sampling where the number of samples for each district is determined by the total number of companies divided by total number of companies' population and multiplied by estimated sample size. The list of companies was obtained from the MIA website and questionnaires were then distributed online to the targeted respondents by Google Forms. As a result, 122 responses were received which exceeded the threshold of 30 percent of the sample size as suggested by (Frohlich, 2002).

Research Instruments

The present study employed survey questionnaires developed by reference to the ORCT by Weiner (2009) in order to identify relationships between the constructs. The questionnaire contains two major sections, the first section collects the demographic information about the respondents, while the second section comprises questions regarding three factors which are the change valence, task knowledge and resources availability in envisioning readiness of accounting professionals to embrace transformation towards digital economy (change commitment and change efficacy). A corresponding 7 Likert scale was deployed (1 for "Strongly Disagree" and 7 for "Strongly Agree").

Table 1 shows the reliability of the statistical results for all the variables included in the survey questionnaires. It is an indication of how consistently a measuring instrument measures whatever concept it is measuring (Sekaran & Bougie, 2010). The values of Cronbach Alphas for all constructs were between 0.920 and 0.962, which exceeded the value of 0.7 as suggested by (Sekaran, 2003; Kline, 2013). Thus, all questions contained are reliable and can be used for future analysis.

Table 1

Reliability Test

Variable	Cronbach Alpha	Number of Item	Reliability Decision
Change valence	0.957	10	Reliable
Task knowledge	0.952	4	Reliable
Resources availability	0.937	5	Reliable
Change commitment	0.962	5	Reliable
Change efficacy	0.920	6	Reliable

Next, the validity of the questions used in the questionnaires is tested using factor loading. The purpose of assessing factor loading is to evaluate the extent to which an indicator or a set of indicators is consistent with what it intends to measure (Urbach & Ahlemann, 2010). An examination of the factor loadings showed that factor loadings ranged from 0.560 to 0.882, as shown in Table 2. Since the factor loading of all the instrument item ranges was above the threshold limit of 0.5 and above, therefore they are all acceptable as suggested by (Tabachnick and Fidell, 2007; Garson, 2012; Hair et al., 2010).

Table 2

Factor Loading from Common Factor Analysis

Instrument items	Change commitment	Change efficacy	Change Valence	Task knowledge	Resources availability
Readiness 1	0.868				
Readiness 2	0.838				
Readiness 3	0.834				
Readiness 4	0.876				
Readiness 5	0.775				
Readiness 6		0.769			
Readiness 7		0.618			
Readiness 8		0.721			
Readiness 9		0.771			
Readiness 10		0.654			
Readiness 11		0.727			
Readiness 12			0.762		
Readiness 13			0.803		
Readiness 14			0.857		
Readiness 15			0.879		
Readiness 16			0.846		
Readiness 17			0.713		
Readiness 18			0.560		
Readiness 19			0.882		
Readiness 20			0.808		
Readiness 21			0.814		
Readiness 22				0.832	
Readiness 23				0.880	
Readiness 24				0.839	
Readiness 25				0.794	
Readiness 26					0.748
Readiness 27					0.870
Readiness 28					0.709
Readiness 29					0.845
Readiness 30					0.822

Extraction Method: Principal Component Analysis

Correlation analysis measures whether the change on independent variables will affect the change on dependent variables. A high correlation means two or more variables are strongly related to each other, while a weak correlation indicates that the variables are hard to relate (Franzese & Iuliano, 2019). Table 3 illustrates the results of Pearson correlation analysis. Overall, the findings revealed that the independent variables of change valence, task knowledge and resources availability have a positive significant correlation towards dependent variables of change commitment and change efficacy.

Table 3

Pearson Correlation Matrix

Variable	Change valence	Task knowledge	Resources availability	Change commitment	Change efficacy
Change valence	1	0.527**	0.553**	0.804**	0.738**
Task knowledge	0.527**	1	0.698**	0.562**	0.574**
Resources availability	0.553**	0.698**	1	0.514**	0.708**
Change commitment	0.804**	0.562**	0.514**	1	0.777**
Change efficacy	0.738**	0.574**	0.708**	0.777*	1

****Correlation is significant at the 0.01 level (2-tailed).**

Data Analysis

Simple regression analysis was performed using the Statistical Package for Social Sciences (SPSS) in addition to the descriptive statistics and correlation analysis. There are two models developed for the present study whereby Model 1 (change commitment as a dependent variable) will be used to test Hypothesis 1, 3 and 5 while Model 2 (change efficacy as a dependent variable) will be used to test Hypothesis 2, 4 and 6. The independent variables are the same in both models namely change valence, task knowledge and resource availability. The models are presented as follows:

$$\text{Model 1: } \Delta \text{Comm} = \alpha_0 + \beta_1 \Delta \text{Val} + \beta_2 \text{Task_Know} + \beta_3 \text{R_Avail} + \epsilon$$

$$\text{Model 2: } \Delta \text{Eff} = \beta_0 + \beta_1 \Delta \text{Val} + \beta_2 \text{Task_Know} + \beta_3 \text{R_Avail} + \epsilon$$

Where:

ΔComm = Change commitment

ΔEff = Change efficacy

β_0 = Intercept

β = Slope of the regression line

ϵ = Error term

ΔVal = Change valence

Task_Know = Task knowledge

R_Avail = Resource availability

The results of analysis of inferential statistics were tested for statistical significance using 95% confidence level as the threshold. Consequently, any resultant p-value that was greater than 0.05 confirmed that there was no relationship between the research variables at 95% level of confidence. Results of descriptive and inferential analysis were displayed and discussed in the next section.

Results and Discussion

Socio Demographic Characteristics

Based on the results portrayed in Table 4 below, 51.6% (63 respondents) are females and the remaining 48.4% (59 respondents) are males. Based on education level, the majority of the respondents possessed Bachelor Degree as their highest educational qualification with 66.4% (81 respondents), followed by an equal percentage of 15.6% (19 respondents) with Professional and Master Degree qualification. Finally, only 2.5% (3 respondents) have a Doctorate Degree as the highest educational qualification level. In addition, it is observed that the majority of the respondents (69.7% or 85 respondents) work in a position of accountant, followed by 10.7% (13 respondents) working as auditor, 8.2% as tax professionals and an equal percentage of 2% of respondents working as company secretaries and business consultants. In terms of working experience, it is discovered that 29.5% of the respondents have working experience of 1 to 5 years, followed by 28.7% possessing working experience of 11 to 15 years and 24.6% of them have been working for 6 to 10 years. Meanwhile, respondents with more than 20 years of experience comprised 9% and the remainder was an equal percentage of 4.1% each for working experience of less than one year and 16 to 20 years. The demographic characteristics of these respondents also revealed that 46.7% (57 respondents) have attended any training related to digital economy while 53.3% (65 respondents) haven't got a chance to attend such training yet. As for those who have attended digital economy courses, the study probes further to inquire about the numbers of courses related to digital economy taken and found out that out of 57 respondents, 40 of them attended trainings for 1 to 3 times, followed by 10 of them attended for more than 10 times meanwhile 3 of them attended for 4 to 6 times and 4 of them attended for 7 to 9 times.

Table 4

Demographic Characteristics of Respondents

Gender	Number	Percentage (%)
Male	59	48.4
Female	63	51.6
Total	122	100

Education Level	Number	Percentage (%)
Bachelor	81	66.4
Professional	19	15.6
Master	19	15.6
Doctorate	3	2.5
Total	122	100.0

Position	Number	Percentage (%)
Accountant	85	69.7
Auditor	13	10.7
Tax Professional	10	8.2
Company Secretary	2	1.6
Business Consultant	2	1.6
Total	122	100.0

Experience	Number	Percentage (%)
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Less than 1 year	5	4.1
1 to 5 years	36	29.5
6 to 10 years	30	24.6
11 to 15 years	35	28.7
16 to 20 years	5	4.1
More than 20 years	11	9.0
Total	122	100.0
Attendance in any digital economy trainings		
	Number	Percentage
Yes	57	46.7
No	65	53.3
Total	122	100
Numbers of digital economy courses attended		
	Number	Percentage
Not applicable	65	53.3
1 to 3 times	40	32.8
4 to 6 times	3	2.5
7 to 9 times	4	3.3
More than 10 times	10	8.2
Total	122	100

Measurement Items, Mean and Standard Deviation

Table 4 depicts the measurement items, their minimum and maximum statistics as well as their means and standard deviation score. The study employs a corresponding 7 Likert scale (1 for “Strongly Disagree” and 7 for “Strongly Agree”). It is observed that the minimum range for change valence is 4.20, maximum of 7.00. Mean is the sum of all observations divided by the total number of observations. It is a statistical measure that is used to determine the central tendency of data. It shows the average value of the specified variable. Table 5 indicated the values of all the variables used in this study. It shows that the change commitment and change efficacy score the highest for change valence than the rest of the variables and that the standard deviation (variability among these scores) is also lowest indicating less dispersion in data. The standard deviation is a measure of dispersion that provides information about the distribution of a variables’ values. It delineated on how the values are distributed around the central propensity measure. There are three ways of observing standard deviation. For normally distributed data, 68.3 percent of the observations fall within +1 and -1 standard deviations of the mean, 95.4 percent fall within +2 and -2 standard deviations, and 99.7 percent fall within 3 standard deviations. The table below shows that the standard deviation is small, indicating that the values are not widely distributed around the mean. A high dispersion indicates a wide variation in data and that there are outliers identified from the dispersion of data. However, in this case, the dispersion is very small and it shows that all of the values reside close to the mean value. As a result, it is demonstrated that the data gathered by the study is significant with very few probabilities of error.

Table 5

Descriptive Characteristics

Variable	Minimum	Maximum	Mean	Standard Deviation
Change valence	4.20	7.00	6.2624	0.67830
Task knowledge	2.50	7.00	5.4893	1.04706
Resources availability	2.40	7.00	5.1949	1.09149
Change commitment	3.80	7.00	5.8020	0.79025
Change efficacy	3.83	7.00	5.8020	0.79025

Regression Analysis and Model Summary

A regression model's data analysis entails one-to-one variable analysis. Details of regression analysis for the two models are shown in Table 6 below.

Table 6

Regression Table

Predictors	Unstandardised coefficients		Standardised coefficients	R ²	Adjusted R ²	t	Sig.
	B	SE	β				
Model 1:				0.673	0.665		
Constant	1.017	0.351				2.899	0.005
Change valence	0.730	0.068	0.708			10.666	0.000
Task knowledge	0.135	0.052	0.202			2.613	0.010
Resources availability	-0.012	0.050	-0.019			-0.239	0.812
Model 2:				0.675	0.666		
Constant	0.525	0.395				1.327	0.187
Change valence	0.577	0.077	0.495			7.479	0.000
Task knowledge	0.014	0.058	0.019			0.245	0.807
Resources availability	0.305	0.057	0.421			5.361	0.000

Model 1: Dependent variable (Change commitment), predictors (change valence, task knowledge and resources availability)

Model 2: Dependent variable (Change efficacy), predictors (change valence, task knowledge and resources availability)

Model 1: Readiness for Digital Economy as measured by Change Commitment

Model 1 tested the association between the independent variables of change valence, task knowledge and resources availability against the dependent variable of change commitment. In other words, it demonstrates how the change valence, task knowledge, and resource availability dimensions influence change commitment. Based on the results shown in Table 6,

both change valence (H1) and task knowledge (H3) positively and significantly influenced the change commitment with the p-value of 0.010. These findings provide support to Kruskopf et al. (2020) which asserted that when accountants have recognized the benefits of digital transformation, they should cope and ready to embrace the transformation. The positive significant association of change valence and task knowledge on change commitment might be because the respondents value the benefits of the change and they believe that their digital competency will be useful to solve the important organizational problems (Weiner, 2009). The results also provide support to the previous studies that have addressed the need for accountants to be well versed and educated with knowledge and skills in digital economy (Kruskopf et al., 2020; Pan & Seow, 2016; Rai et al., 2010).

On the other hand, resources availability (H5) proved a negative insignificant influence over change commitment. This outcome revealed opposite findings than previous literature which suggested that with sufficient resources, successful transformations are easier to be achieved (Kovalenko et al., 2020; Kruskopf et al., 2020; Marr, 2018; Herbet et al., 2016). The results may indicate that there were other factors that may have restricted resources allocation to implement a change. The professional accountants who work in the accounting firms might not have control over the resource allocation towards professional development to face the digital economy. An organisation may have adequate human and financial resources, but their focus may not be on funding the change implementation. Hence, even though Weiner (2009) argued that organizations must possess the raw potential such as expertise, capability and resources to successfully implement an intentional organizational change, the potential might not automatically translate into action (Shahrasbi & Pare, 2014). Hence, future research may investigate the perspective of partners of the accounting firms on using their resources towards embracing the digital transformation. The summary of the result for Model 1 can be found in the Table 7 below.

Table 7

Summary of Accepted and Rejected Hypothesis for Model 1

Hypothesis	Predictor	Dependent Variable	Results
1	Change valence	Change commitment	Accepted
3	Task knowledge	Change commitment	Accepted
5	Resources availability	Change commitment	Rejected

Model 2: Readiness for Digital Economy as measured by Change Efficacy

Model 2 posited that the change valence, task knowledge and resources availability are positively associated with the change efficacy. Based on the results in Table 6, it was discovered that only change valence (H2) and resources availability (H6) proved to be significant at p-value of 0.000. The change valence refers to the shared values that accounting professionals perceive of the digital economy. The findings of the study indicated that if the digital economy is perceived to be beneficial and will result in improvement of the accountants' workflow, then the organizations would be highly likely to implement the change. Hypothesis 2's results are consistent with Nordin (2012) which suggested that when the members of the organization placed importance on the value of the change, then it will lead to the drive towards implementing the said change. As for Hypothesis 4 which posited a positive significant relationship between task knowledge and change efficacy, the findings of the study proved a positive but weak association between task knowledge and change

efficacy. This may indicate that the accountants might believe that they have the knowledge on how to face the digital economy challenges but the shared beliefs remain considerably low as to encourage changes. Finally, the resources availability (H6) is expected to positively and significantly influence change efficacy as it is believed that the availability of resources such as human skills and financial resources to enable the change would influence the capability to execute the change. The study's positive significant findings are in support of the previous literature (Kovalenko et al., 2020; Kruskopf et al., 2020; Marr, 2018; Dasari et al., 2016; Herbet et al., 2016; Yusof & Aziz, 2015; Aboudzadeh et al., 2014) of which many of these previous literature in their findings agreed that technical, financial and institutional resources would provide support to implementing a successful change. The summary of results for Model 2 are presented in Table 8 as given below.

Table 8

Summary of Accepted and Rejected Hypothesis for Model 2

Hypothesis	Predictor	Dependent Variable	Results
2	Change valence	Change efficacy	Accepted
4	Task knowledge	Change efficacy	Accepted
6	Resources availability	Change efficacy	Accepted

Model summary portrayed in Table 9 below is very important in describing the standard error of estimate and goodness of fit (R-square). The summary indicates the strength with which the multiple independent variables are related to the dependent variables. The variation among dependent and independent variables is represented in the table above. The results indicated that, for Model 1, 67.3% (the value of R) variations in the dependent variables i.e., change commitment is caused by independent variables. Meanwhile results for Model 2 indicated that 67.5% (R value) changes in the dependent variables i.e., change efficacy was resulting from the independent variables. These proved the existence of positive relationships between all independent variables and dependent variables. The standard error of estimates describes the deviation of actual values from the regression line. These two Models 1 and 2 give small standard error of estimate i.e., 0.41 (Model 1) and 0.46 (Model 2). This means that actual data is only 41% dispersed from the regression line for Model 1 and only 46% dispersed from the regression line for Model 2. Coefficient of each variable indicates that the change in dependent variable could be expected from the change in particular variable while keeping all the other variables constant.

Table 9

Model Summary

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1	0.821	0.673	0.665	0.40486
2	0.822	0.675	0.666	0.45640

Model 1: Dependent variable (Change commitment), predictors (change valence, task knowledge and resources availability)

Model 2: Dependent variable (Change efficacy), predictors (change valence, task knowledge and resources availability)

Conclusion and Limitations

Accountants play an important role in nation building, particularly in its economic growth. Joining the global race towards the digital economy, Malaysia government launched its own initiative called MyDigital with the hope of transforming Malaysia into a digitally-driven, high income nation and a regional leader in the digital economy. As one of the key players in the Malaysian economy, accountants are expected to equip themselves with the knowledge and skills needed for this move. However, a question remains on how ready they are to adapt and respond to the challenges inherent in the digital economy. Thus, in a nutshell, the study attempted to examine Malaysian accountants' readiness to withstand the challenges of the digital economy.

Using ORCT by Weiner (2009), the framework for the study is splitted into two main dimensions. There are three independent variables recognised for the study which are the change valence, task knowledge and resources availability. The Model 1's dependent variable is change commitment while Model 2's dependent variable is change efficacy. The mean for both dependent variables was 5.8 which was between somewhat agree and agree to change, indicative of the respondents' readiness to change. Based on further analysis of results for Model 1, change valence and task knowledge is identified to have significant influence on change commitment. Meanwhile, the resources availability was found to be insignificant towards the change commitment. As for Model 2, the change valence and resources availability were found to be positively and significantly influencing change efficacy but the task knowledge was found to have insignificant influence on the change efficacy. The results of the study signal the importance of change valence, which can be explained as perceived benefits that accountants foresee that might encourage them to implement the transformational change towards facing challenges of the digital economy. In order to encourage change commitment, focus on change valence and task knowledge might need to be critically addressed. On the other hand, towards encouraging change efficacy, not only knowledge is important, but also the perception that the change might be beneficial and the consideration as to whether there are enough resources available to cope with the summons of the digital economy.

The present study also reveals that a majority of the respondents were actually not receiving a proper training or detailed exposure in relation to digital economy, which is quite alarming because there was already a blueprint released by MIA, as the national accountancy body that regulates and develops the accountancy profession in Malaysia, back in 2016 with regards to digitalization and the required transformation of the profession. Furthermore, 70% of those who received training, had attended between one to three courses only. Thus, it can be concluded that the response and preparation towards the digital economy by the members were either sluggish or insufficient. It is the responsibility of MIA, other accounting professional bodies as well as the Malaysian government through the Accountant General's Department of Malaysia to plan and offer more training, workshops, seminars and similar initiatives to prepare our accountants for the digital economy. Accountants themselves are also expected to be proactive and accept the challenges of the digital economy which is currently inevitable.

Even though the results of the study seem promising, a few limitations were identified. Firstly, the literature on the study of accountant readiness, especially in Malaysia context, is quite

limited. Many literatures focused on the changing role of accountants but not many researchers performed studies on the factors influencing readiness of Malaysian accountants in facing the challenges of the digital economy. Secondly, the study's results are generated based on 122 accountants registered with the MIA, which may not be able to fully represent the total population of 33,494. Similarly, as the study is designed to assess the readiness of accountants in Malaysia, the results may not be generalized to other countries. Yet, this also provides an opportunity for future research in examining the accountants' readiness globally which may allow for cross countries comparisons. Nonetheless, the present study may have shed some light on the study of factors leading to accountant readiness to embark themselves in the digital world. The fact that now, the digital phenomenon has been taking over all areas of business operations, as well as in daily lives. Hence, revolutionizing the old traditional accounting practices is inevitable. Regardless of how intense, profound and irreversible it may be, the transformational change is required for accountants to remain in its relevant position to add value, and be the strategic allies to the organisations that they serve. The digital transformation of the economy stimulates the metamorphosis of the professional accountants. In this sense, they ought to be concerned with having digital skills to adapt to the legislative changes or changes due to the progress of the digital economy.

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