



The Impact of Artificial Intelligence on the Accounting Profession: What Educators Need to Know and Do

Bethany M. Spencer, CPA: Assistant Professor of Accounting at Juniata College.

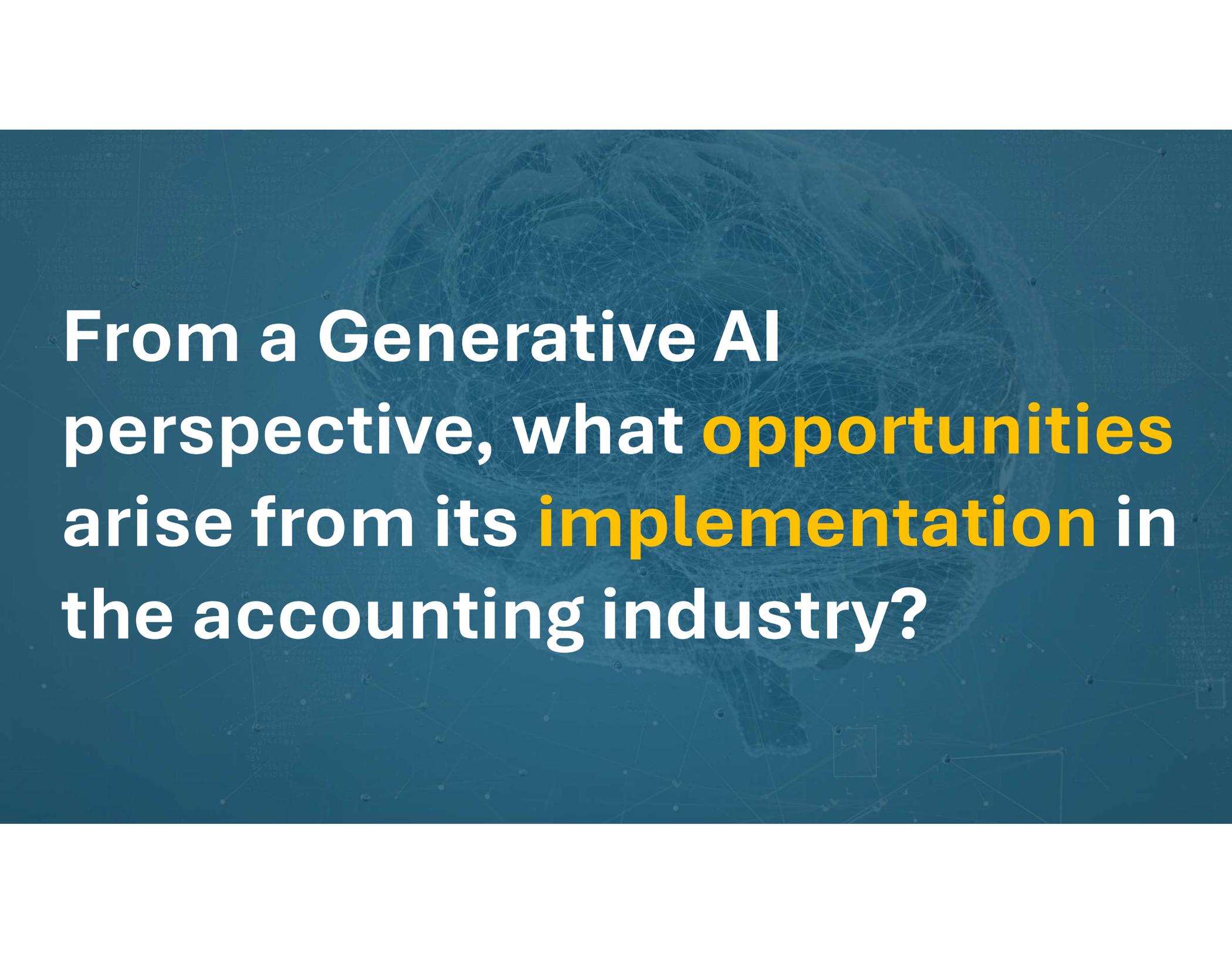
The Gemini logo is displayed on a black rectangular background. The word "Gemini" is written in a sans-serif font, with the 'G' in blue and the remaining letters in a gradient of purple and pink. A small, four-pointed star is positioned above the 'i'.

Copilot



ChatGPT





From a Generative AI perspective, what **opportunities** arise from its **implementation** in the accounting industry?

Gemini's Response:



Increased efficiency and accuracy



Improved decision-making



Enhanced audit capabilities



New service offerings



Increased accessibility of accounting services



AI APPLICATION IN THE ACCOUNTING INDUSTRY

AI Application in Accounting



Content generation



Email drafting and summarization



Client communication



Recommendations



Translation

AI Application in Accounting

 Predictive analytics

 Audit capabilities

 Tax compliance and research

 Client insights

 Bookkeeping automation

 Data analysis

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“

IT MEANS THAT YOU HAVEN'T **SPENT**
TIME ON AREAS THAT DON'T **MERIT** IT.

- Danielle Supkis Cheek, CPA

”

“

WE'VE **REDUCED** TESTING AND
TRAINING TIME AND **IMPROVED**
QUALITY, ALL QUITE **SUBSTANTIALY.**

- Patricia Willhite, CPA

”

“

AI CAN GIVE YOU **100%** OF THE
POPULATION, WHICH MAKES ANOMALY
DETECTION **EXTREMELY RELIABLE**
WHEN IT'S BASED ON PROPER
PARAMETERS SET BY THE AUDITORS.

- Alan Anderson, CPA

”

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CHATGPT IS **WONDERFUL** IN MY OPINION,
BECAUSE IT BRINGS UP A LOT OF THINGS
YOU MAYBE **HAVEN'T THOUGHT ABOUT**. WE
ASKED IT WHAT A GOOD CHECKLIST FOR
ONBOARDING A CLIENT WAS...IT CAME UP
WITH SOME **REALLY GOOD THOUGHTS**.

- Rusty Hale, CPA

”

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Who is using AI:

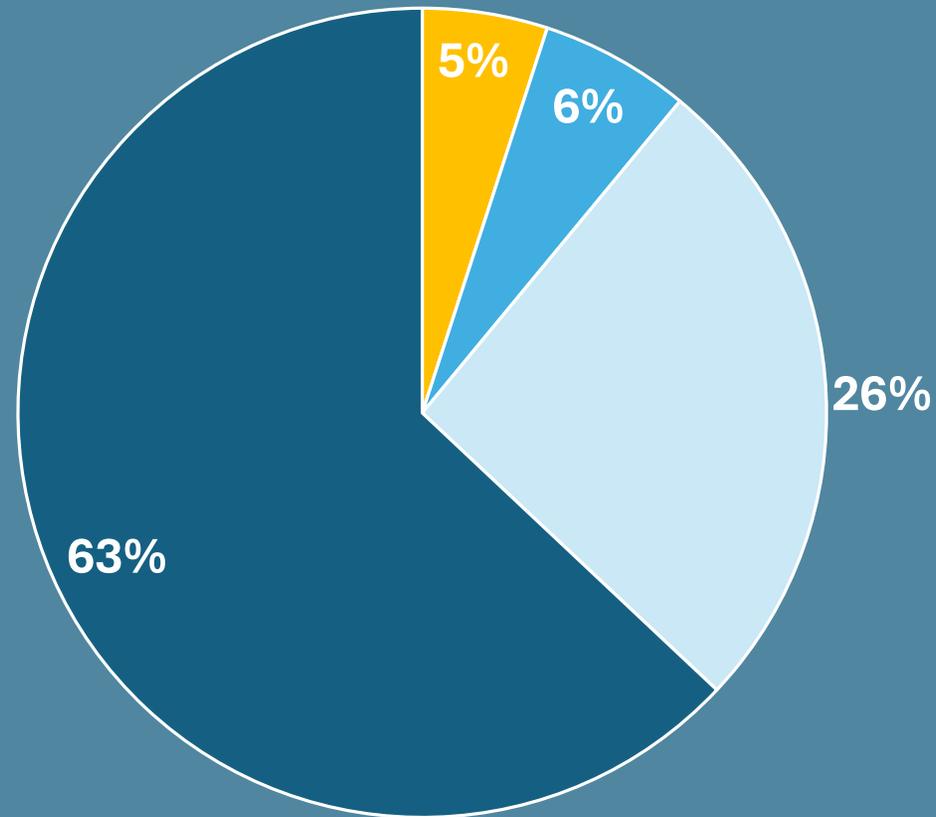
C-Suite and Senior Executives:

60% say they are **1-2 years away** from implementing their first generative AI solution

65% believe generative AI will have **high or extremely high impact** on their organization in the **next 3-5 years**

Plans to Integrate Generative AI into Firm's and Department's Operations

Who is using AI:

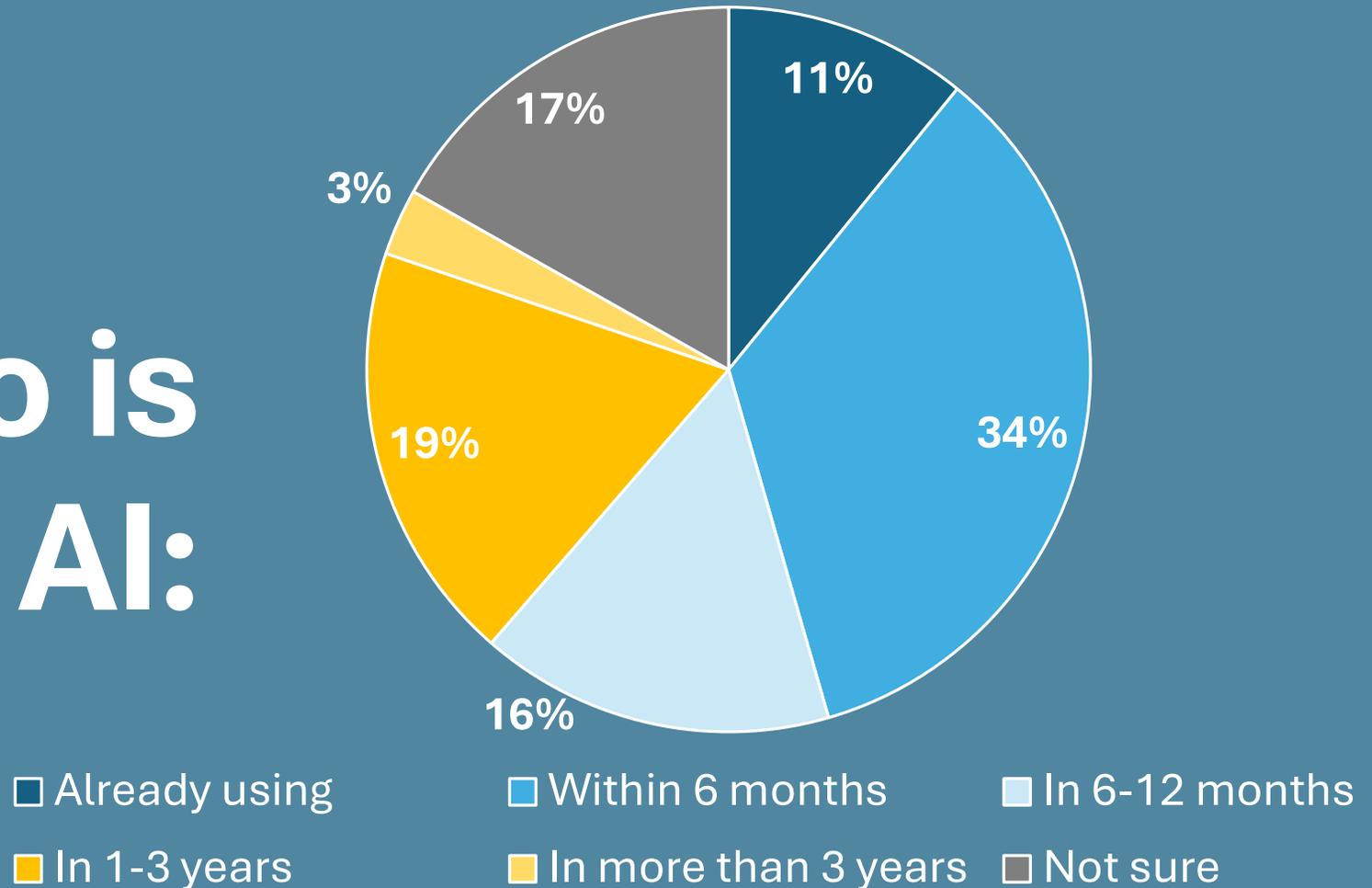


■ Already Using ■ Planning to Use ■ Still Considering ■ No Plans

Source: Thomson Reuters 2023

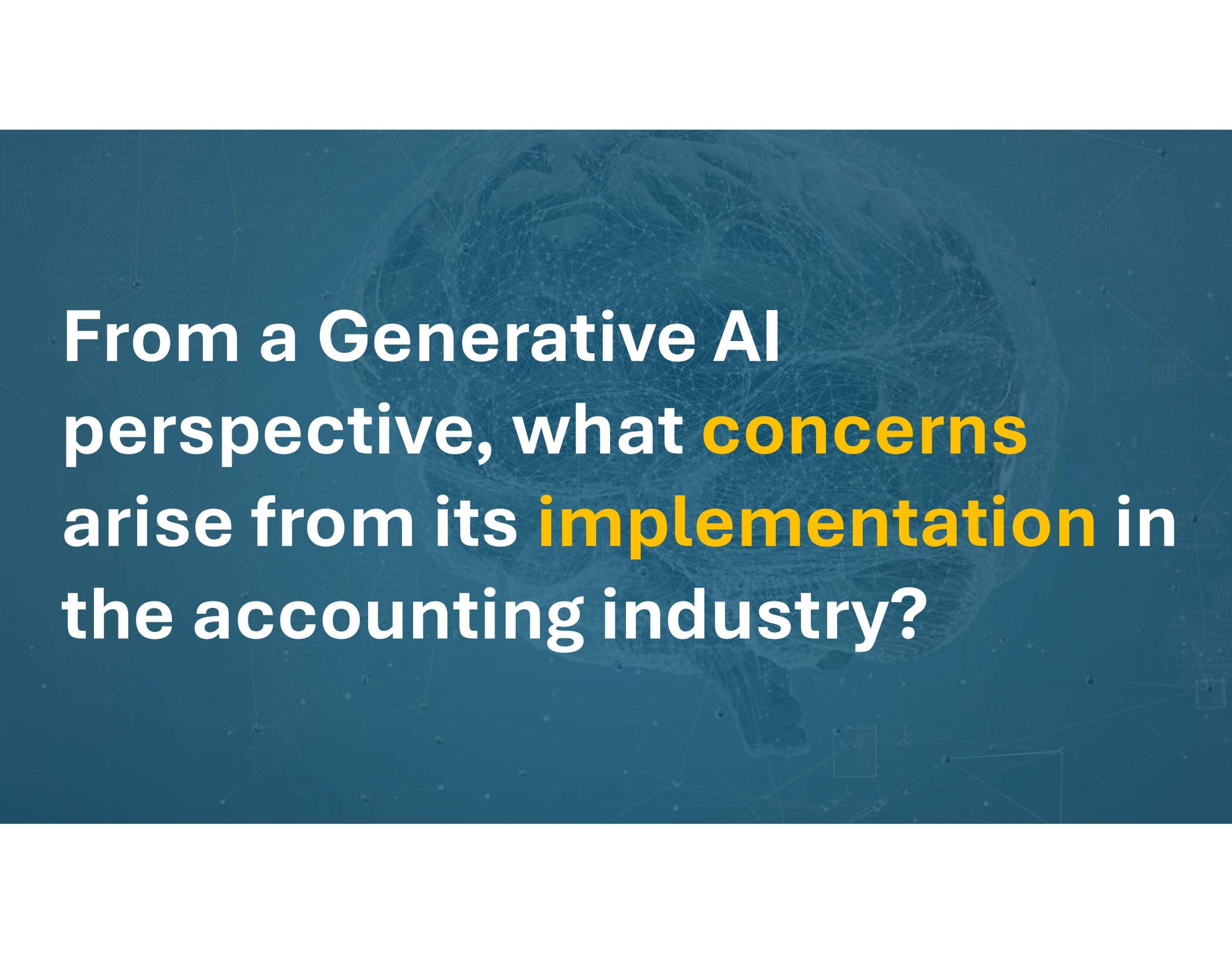
Who is using AI:

Time Frame to Roll Out AI Usage



Source: Thomson Reuters 2023





From a Generative AI perspective, what **concerns** arise from its **implementation** in the accounting industry?

Gemini's Response:



Job displacement



Bias and fairness



Explainability and auditability



Security and control



Regulatory compliance



**WHAT ARE
ACCOUNTING
PROFESSIONALS
SAYING?**

Barriers



Awareness



Lack of training



Technology is too expensive



Technology is not useful



Technology is too difficult to use



Concerns and skepticism

“

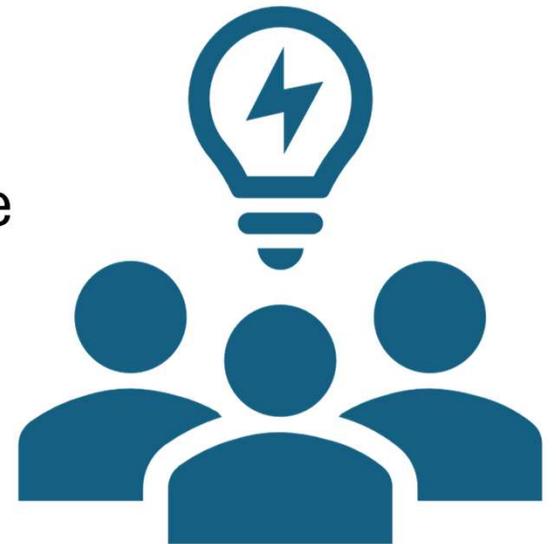
I PERSONALLY WILL **NOT USE** IT UNTIL I
HAVE **MORE INFORMATION** AND A **BETTER**
UNDERSTANDING OF HOW IT WORKS. IT
WON'T BECOME PART OF MY WORK
ROUTINE ANYTIME SOON.

- Melissa Inman, senior tax manager

”

Opportunity and Concern

- 73% of professionals agree generative AI **can** be applied to tax, accounting, or auditing work.
- 51% of professionals agree generative AI **should** be applied to tax, accounting, or auditing work.
- 67% report their departments or firms have **risk concerns** surrounding the use of generative AI.



Source: Thomson Reuters 2023

Concerns

 Accuracy and reliability

 Transparency and bias

 Data security and privacy

 Regulatory compliance

 Elimination of human element

 Uncertainty

“

MY AREA IS **TOO SPECIALIZED**, AND THE RULES ARE **TOO COMPLICATED TO TRUST** CHATGPT OR AI TO PROVIDE ADVISORY SERVICES. I DO BELIEVE CHATGPT / AI COULD BE USED FOR **SIMPLE**, REPETITIVE, COMPLIANCE-BASED TASKS, BUT ONLY **AFTER RIGOROUS TESTING.**

”

Source: Thomson Reuters 2023

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“

ANY DATA OR INFORMATION
COMMUNICATED WITH...GENERATIVE AI
MODELS IS STORED AND TYPICALLY USED
TO IMPROVE FUTURE RESPONSES. THAT IS
A HUGE SECURITY RISK, ESPECIALLY IN AN
OPEN SOURCE MODEL.

”

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Human Connection

39% executives believe that generative AI could lead to **decreased social interactions** and human connections with coworkers that may have **negative impacts** on the workforce.



“

I DON'T WANT AI TO REPLACE OUR **HUMAN PROFESSIONALS**. I AM NOT SUPPORTIVE OF AUTOMATING THE ADVISORY FUNCTION AND ELIMINATING OUR **RELATIONSHIPS** OR THE APPLICATION OF **HUMAN PROFESSIONAL JUDGMENT**.

”

Concerns

 Accuracy and reliability

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 **Uncertainty**

Uncertainty

32% executives report a concern that they will see increased **mental health issues** among their workforce due to the **stress of job loss and uncertainty** about the future.

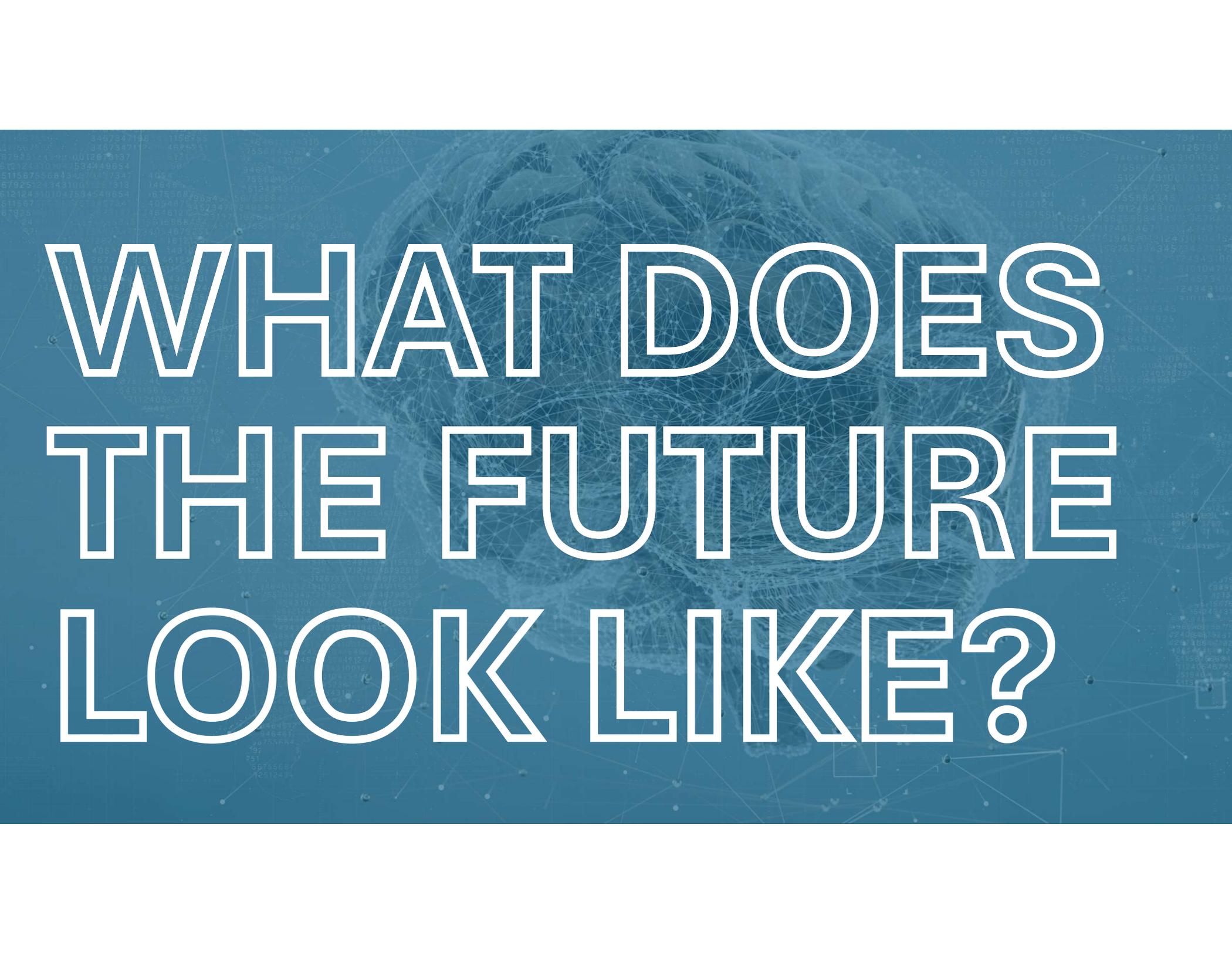


“

IT'S KIND OF **SCARY** TO THINK ABOUT HOW A COMPUTER COULD BE TRAINED AND THEN YOU ARE **NO LONGER NEEDED**...IF THE COMPUTER PERFORMS AT SUCH A HIGH LEVEL, IT MIGHT ADD TO PEOPLE'S **STRESS** IF THEY FEEL LIKE THEY HAVE TO **PERFORM EVEN BETTER** AS AN EMPLOYEE.”

- Sagnik Bakshi, tax and audit specialist

”



WHAT DOES
THE FUTURE
LOOK LIKE?

Pipeline and Staffing Shortage Issues



Burnout

- Too much work to do and not enough staff to assist
- 300,000 (17%) accountants and auditors quit the profession from 2019-2021

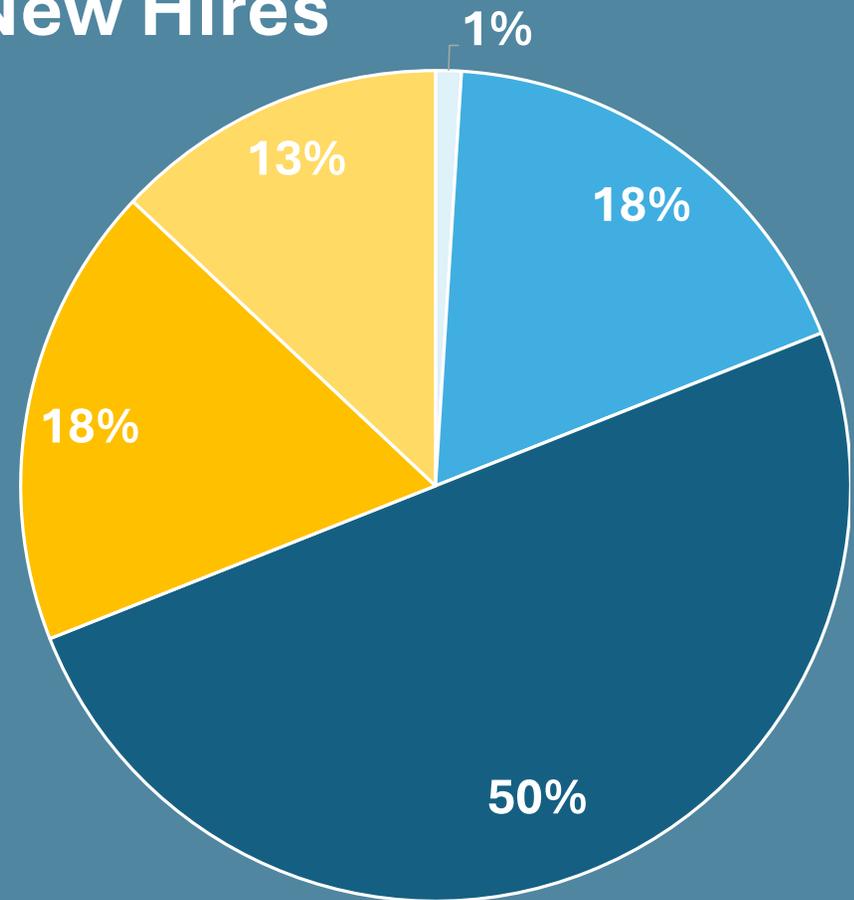


2022-2032 Job Outlook

- Accountants and Auditors: 4% growth rate
- Bookkeeping, Accounting, and Auditing Clerks: 6% rate of decline
- Tax Examiners and Collectors, and Revenue Agents: 1% growth rate

ChatGPT and Generative AI Skills Requirement for New Hires

- Yes, it will be a requirement
- Yes, but it is a "nice to have" skill and not a requirement.
- No, we are not planning to target applicants with these skills.
- Don't know.
- Not planning to hire any new staff.





Recommendations



Practice using it yourself



Reach out to business professionals



Understand the impacts and changes



Be aware of the risks



Educate students on proper use

Risks



Hallucinations



Bias risks



Privacy risks



Instructional risks

Assigning AI: Seven Approaches for Students



AI as Mentor: providing feedback



AI as Tutor: providing direct instruction



AI as Coach: increasing metacognition



AI as Teammate: increasing collaborative intelligence

Assigning AI: Seven Approaches for Students



AI as Student: the power of teaching others



AI as Simulator: creating opportunities for practice



AI as Tool

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Thank you

Asst. Professor of Accounting
spencer@juniata.edu

1700 Moore Street
Huntingdon, PA 16652

