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The evolving role of accountants in supporting small businesses in the digital age

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ABSTRACT

The digital transformation is a reality with significant implications for both accountants and small businesses. This study analyzed the relationship between accountants and small businesses and the essential competencies and skills accountants needed to strive to develop in order to adapt and remain relevant in the digital era. The method utilized followed a structured yet adaptable approach, building theory directly from observed data through inductive reasoning. In-depth, semi-structured interviews were conducted with fifteen participants that included accountants, small business owner-managers, and other relevant stakeholders. This study adopted a qualitative research design with an inductive approach, utilizing grounded theory as the research methodology. Data was collected through fifteen in-depth, semi-structured interviews that were carried out with the research participants. The Conditional/Consequential Matrix developed by Strauss and Corbin (1998) was used to categorize codes into three main categories: contextual conditions, actions and reactions, and consequences and outcomes. The digital transformation has been challenging the sustainability of various professions, including accountancy. Yet, the findings suggested that small businesses still sought accountants who could add value by humanizing their service offering and who could prioritize business advisory services. However, results showed that accountants often failed to meet these expectations due to a lack of competencies and skills, as well as being overwhelmed by compliance work driven by increasing regulatory pressures. This dynamic adversely impacted the relationship between accountants and small businesses, ultimately affecting the relevance of accountants. This study highlights both the opportunities and challenges that digitalization presents for accountants. It emphasizes the need for accountants to reskill and upskill to maintain their relevance in a changing landscape. The study further underscores the importance of accountants adapting to new roles, focusing on the humanization of their service offering and expanding their advisory services, to become catalysts for value creation.

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1. INTRODUCTION

The world has been undergoing significant social, economic, and technological disruption, which has reshaped the future of work and has driven widespread change (Eloundou et al., 2023; Singh et al., 2022; Kommunuri, 2022). This transformation has been commonly referred to as the "Fourth Industrial Revolution" or "Industry 4.0" (Singh et al., 2022), with growing discourse around a forthcoming "Industry 5.0" (Schiele et al., 2022). Eloundou and colleagues (2023) have argued that the economic impact of digital transformation will not only persist but intensify, requiring policymakers and stakeholders to better understand its complexities and implications for the workforce. Small businesses, acknowledged as vital to modern economies, have often faced internal resource constraints and have therefore sought external support—most commonly from accountants (Weigel & Hiebl, 2022). This has positioned accountants as strategically important advisors in the business community. However, the Future of Jobs Report (World Economic Forum, 2020) has projected that three of the top declining roles due to digital transformation were in accountancy, indicating the need for accountants to adapt in order to remain relevant (Kommunuri, 2022). This paper explores the evolving role of accountants in supporting small businesses amid digital transformation, identifying the critical competencies required to stay relevant. It contributes uniquely by examining not only the necessary skills but also the transitional process accountants undergo, and the factors influencing this shift.

2. LITERATURE REVIEW

2.1 The Digital Transformation

The digital transformation and its impact on the world of work has been a reality that researchers have been alerting us to for the past years. This topic has witnessed a rapid increase in interest amongst researchers over the past years (Singh et al., 2022). De Villiers (2021, p. 1354) noted that the business environment was changing and was "likely to cause major disruptions to the workplace of the future". Other researchers have been equally forceful in their arguments by anticipating an immense and extensive revolutionary transformation (Kommunuri, 2022) and major uncertainty for the future of work (Singh et al., 2022).

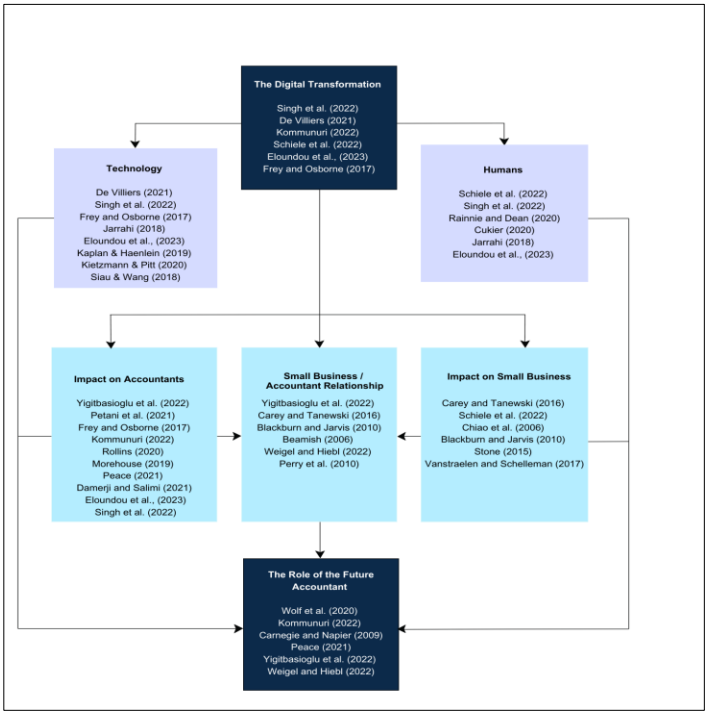

Figure 1: Literature Map

A 2017 report by the Institute for the Future for Dell Technologies estimated that 85% of the jobs that will exist in 2030 have not yet been invented. The 2020 Future of Jobs Report by the World Economic Forum has warned that the world of work was up for major disruption over a very short span of time, with reports from Oxford University estimating that 47% of current jobs would cease to exist by 2033 (Frey & Osborne, 2017). Singh et al. (2022, p. 118) discussed that this changing business landscape, accelerated as it has been by the COVID-19 pandemic, was shaping a new way of working and would transform the "three Ws": work, workforce, and workplace. Thus, significant impact on people's lives, organizations/companies, society, and the economy at large has been expected by this disruption (Schiele et al., 2022). This has therefore merited its due attention and understanding, and has justified the need for research on the subject matter.

2.2 Humans vs Technology

The nature of businesses has been evolving, primarily due to advancements in technology (De Villiers, 2021). Various studies have pinned down technological advancement as the main disruptor that has been changing the dynamics of industries and transforming traditional business methods through rapid digitalization, automation, and technological disruption (Singh et al., 2022). Various authors have focused their analysis on the specific emerging technologies, including: Artificial Intelligence (AI) (Kaplan & Haenlein, 2019); Machine Learning (ML) (Kietzmann & Pitt, 2020); and Robotic Process Automation (RPA) (Siau & Wang, 2018). Current times have also witnessed the significant emergence of the field of generative AI and large language models (LLMs), such as Generative Pre-trained Transformers (GPTs) (Eloundou et al., 2023). Singh and colleagues (2022) analyzed a number of these studies by using bibliometric techniques to review the evolution of such studies on the future of work over the past few years. The study categorized various themes to give the discussion a holistic overview that would acknowledge the impact of technological advancements while also giving due consideration to other important themes, particularly the impact that this change would have on people. The authors argued that notwithstanding its relevance, placing sole reliance and focus on technology would not be sufficient for organizations to cope with the change, since there was a human element that needed to be considered (Singh et al., 2022, p. 120). The authors' thematic map indicated that the driving themes were digitalization and human resources management. Schiele and colleagues (2022) concurred with this view by arguing that a transformation was a holistic phenomenon that would not only have an impact on technology and business models but would also have a profound impact on society and people.

"Industry 4.0" has been digitalizing every aspect of an organization, which has had significant effects on the way people have been working (Rainnie & Dean, 2020). This level of disruption has highlighted concerns pertaining to job loss brought about by automation, where pervasive effects have been expected across a wide swath of occupations and economic activities (Eloundou et al., 2023). Technological advancements have introduced intelligent systems that can do without active human involvement and that have replaced humans in many tasks (Singh et al., 2022) through automation (Frey & Osborne, 2017). The 2020 Future of Jobs Report by the World Economic Forum has predicted massive displacement of jobs due to a shift in the division of labor between humans and machines. Nonetheless, Singh and colleagues (2022) have argued that robots and machines have not yet reached a point where they could replace humans since they lacked cognitive skills and were unable to replace the human emotional aspect. The human aspect handled intuitive decision-making based on experience and emotional intelligence while encompassing a holistic vision (Cukier, 2020). This has emphasized the need to focus on the aspects to which employees contributed, rather than those to which they did not (Singh et al., 2022). The symbiotic human-AI interaction needed to be understood and planned for since both elements were necessary and could complement rather than replace each other (Jarrahi, 2018). Singh and colleagues (2022, p. 118) discussed that this human-technology frontier suggested a future based on "job augmentation" rather than "job destruction", where the role of the human would shift so that both humans and machines would be empowered to do what they did best, "independently, as well as with each other".

2.3 The Impact on Small Business

Small businesses have been recognized as the backbone of national economies since they have contributed to economic growth by having acted as catalysts for job creation, innovation, and social mobility (Zhao, 2024; Arofatkhan, 2023). Small businesses have transformed and developed communities and social structures (Zhao, 2024; Ribeiro-Soriano, 2017) and their predominance and economic significance in modern economies have been undisputed and have been supported by research. Indeed, research has shown that small businesses have played a crucial role in both developing and developed economies (Vanstraelen & Schelleman, 2017; Carey & Tanewski, 2016; Stone, 2015). In most countries, small and medium-sized enterprises (SMEs) have accounted for 95% of businesses (Chiao et al, 2006). Within the European Union, 99% of all enterprises were SMEs and contributed to approximately two-thirds of private-sector employment (Stan, 2014; Blackburn & Jarvis, 2010). While data typically referred to SMEs—which included medium-sized enterprises—a Eurostat news article from October 2024 stated that 99% of SMEs were actually micro and small enterprises, each employing fewer than 50 people. Notwithstanding the significance of the implications of "Industry 4.0", firms tended to lack knowledge about how such a transformation could impact their business and how they could benefit from it (Schiele et al., 2022). A 2017 study by Deloitte showed that up to 80% of small businesses were not taking full advantage of digital tools. Technology has been expected to provide "several deep changes in business" and to provide businesses with "technology-induced opportunities" (Schiele et al., 2022, p. 160).

2.4 The Small Business – Accountant Relationship

SMEs often lacked internal capabilities (Yigitbasioglu et al., 2022), in-house expertise, and resources in general (Carey & Tanewski, 2016; Beamish, 2006). Weigel and Hiebl (2022) discussed that such constraints could be partly overcome by seeking external advice, through the employment of accountants. Carey and Tanewski (2016) found that SMEs demanded business advice from their external accountants as a means to overcome resource constraints and to augment skills and expertise lacking in the workplace. This was also supported by research that often identified accountants as the most important advisors for small and medium-sized enterprise (SME) owners (Perry et al., 2010) and the most frequently used sources of professional services in the SME environment, with the vast majority of SMEs engaging the services of accountants (Blackburn & Jarvis, 2010). Carey and Tanewski (2016) found that the decision taken by SMEs to purchase business advice from accountants was significantly and positively associated with the perceived competence of the accountant. Their findings indicated that SMEs required time to evaluate their accountant's competence, which suggested that information asymmetry and uncertainty was minimized after having nurtured a relationship with their accountant. Similarly, Weigel and Hiebl (2022) discussed a trust relationship between the SME owner and the accountant, which was predominantly driven by the perception of both the accountant's skills and character. The nature of the ongoing interactions and relationship allowed for the development of social rapport where the accountant gained a deeper understanding of the clients' needs while the SME owner/manager gained an appreciation of the accountant's knowledge and expertise (Carey & Tanewski, 2016). Yigitbasioglu and colleagues (2022) also emphasized the importance of trust in every client relationship, especially when dealing with SMEs.

2.4.1 The Impact on Accountants

The impact of the digital transformation on the world of work has implied an evolutionary and transformative path for the accountancy profession (Yigitbasioglu et al., 2022). Technology has impacted the accountancy profession in recent years (Petani et al., 2021) and has been anticipated to be the most significant perceived driver of occupational change over the next decade (Chartered Accountants Australia & New Zealand, 2016). The 2020 Future of Jobs Report by the World Economic Forum has indicated that the top three jobs to decrease in demand were all accountancy related. Frey and Osborne (2017) explained that the professions in risk of extinction were those that were repetitive, linear, and that lacked social interaction. Similarly, Eloundou and colleagues (2023, p. 5) discussed the concept of "routine-biased technological change" where workers carrying out routine and repetitive tasks were at a higher risk of technology-driven displacement. Technological advancements have also been facilitating the era of the real-time economy, also referred to as the "now economy" allowing for real-time interactions and sharing of information (Trigo et al., 2014). This concept has been implemented by tax authorities around the world to bring the tax system closer to real-time as a means for improving efficiencies, reducing evasion, and increasing tax revenues (McDonnell, 2023).

Such real-time systems have already been introduced in various countries, including the UK that has launched the "Making Tax Digital" legislation as a key part of the government's tax administration strategy. Real-time reporting has also been piloted by the US Federal Reserve and has been a key initiative of the European Commission, which has been

pushing for Continuous Transaction Controls (CTCs) that included real-time reporting mechanisms. Eloundou and colleagues (2023) identified accountants, auditors, and tax preparers as being at very high potential exposure to disruption due to technological advancements. Kommunuri (2022) explained how emerging technologies were changing the accountancy landscape and driving transformative and revolutionary change in accountancy, financial, auditing, and advisory services. Technological advancements have promised "to catapult the accounting profession into a new realm" that would be "both challenging and exciting" (Rollins, 2020, p. 35) and would require accountants to adapt to be able to "survive and thrive" (Kommunuri, 2022, p. 588).

Current literature (Singh et al., 2022; Frey & Osborne, 2017) has mostly contended a man-versus-machine viewpoint, concerned by the prospect of humans being replaced by technology. Nonetheless, Kommunuri (2022, p. 587) has argued in favor of a "man-plus-machine strategy" that would not envision technology as displacing human performance but rather as complementing it. Kommunuri developed a synergistic link between artificial and human intelligence where technology's computational power enhanced the accountants' service capabilities. Therefore, this change was witnessed as an excellent opportunity for accountants to improve their skills to move up the value chain and assume a more strategic role. Likewise, Morehouse (2019) argued that the redundancy of roles ought to be an opportunity for accountants to elevate their relevance and use technology to their advantage. As discussed by Peace (2021), automation would transform roles, not jobs. Damerji and Salimi (2021) described AI and its subsets (namely: machine learning, robotic process automation, artificial neural networks and deep learning) as new intelligence systems that were capable of learning, reasoning, adapting, detecting, predicting, and performing tasks in a manner similar to how these were done by humans. This was portrayed as an extension to the existing information systems that focused on capturing, storing, analyzing, and evaluating data. These new intelligence systems were driving change in "the roles and tasks of human and AI-based actors" (Kommunuri, 2022, p. 585).

2.4.2 The Role of the Future Accountant

General accountancy literature has noted a shift in the role of accountants, with accountants becoming more of an advisor or business partner to their clients (Wolf et al., 2020), playing the role of "business enhancer" as opposed to "information provider" (Kommunuri, 2022, p. 590). Carnegie and Napier (2009, p. 361) described the 21st century accountant as a "business professional" that superseded the stereotypical traditional accountant. Similarly, Peace (2021) discussed the future role of the accountant being one that focused on adding value as a strategic business partner and valuable business consultant. The author also discussed the shift modern accountants would undergo from being data gatherers to data analysts. Yigitbasioglu and colleagues (2022) discussed how this transformed advisory role made accountants a valuable strategic resource on the basis of their unique capabilities in combining generic human capital with digital human capital and social capital resources. Weigel and Hiebl (2022, p. 1) proposed the "resource-based view" (RBV) as a unifying theoretical lens for research on accountants in SMEs. Under the RBV, a resource could be a source of competitive advantage if it was rare, valuable, inimitable, and non-substitutable. This study's findings confirmed the shift towards accountants' more progressive advisory role and the relative change in the tasks carried out by accountants within SMEs. Similarly, Yigitbasioglu and colleagues (2022) drew on RBV to explore how accountants and advisors in professional services firms could leverage their knowledge and skills to create sustainable competitive advantage. The authors discussed how human capital (knowledge and skills of professionals that provide professional services) and social capital (value of networks and relationships) were arguably the most valuable assets to professional services firms. Clients hired advisors to benefit from their specific knowledge and skills, which were relatively rare since they were not only obtained from formal education and training (which was imitable) but also from their experience with dealing with multiple clients across different industries. This tacit knowledge, and the way the various resources were combined to provide solutions, allowed for the provision of a relatively unique and valuable service.

Figure 2 below presents a theoretical model that visually depicts the existing literature and highlights the theoretical gap this study aims to explore. This theoretical model uses as a base matrix the "Conditional/Consequential Matrix" developed by Strauss and Corbin (1998, p.169) that was adopted and employed in this study. By using this base matrix in this theoretical model, it is intended that the alignment between the literature cited and the ensuing findings of this study, which also make use of this base matrix and which will also be presented visually in the form of a conceptual model in a later section, will be more apparent.

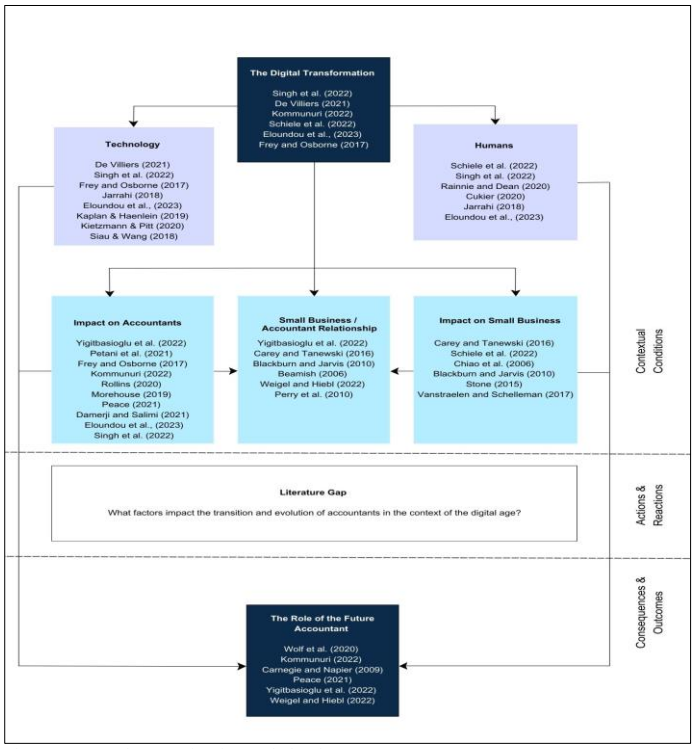

Figure 2: Theoretical Model Diagram

3. METHODOLOGY

This study was based on a qualitative, constructivist, grounded theory methodology. Constructivism, as a paradigm, asserts that reality, rather than being an absolute or a positional truth, is constructed by those who experience it. The constructivist approach acknowledges and embraces the role of the researcher as an integral part of the research process (Birks & Mills, 2023). In the present study, a qualitative research design with an inductive approach through the application of grounded theory procedures was adopted. According to Birks and Mills (2015) the nature of the grounded theory method implies that its use is appropriate when little is known about the area of study, the generation of theory with explanatory power is a desired outcome, and an inherent process is embedded in the research situation that is likely to be explicated by a grounded theory method. The intention of this study was to generate theory that explained a phenomenon and provided knowledge that was applicable and actionable. The data collected would allow for the exploration of the vital change processes required for accountants and small businesses to adapt to the realities of the fourth industrial revolution and the ensuing digital transformation. For this reason, grounded theory was considered to be the most suitable research method within the context of this study.

In the present study, data was collected through fifteen in-depth, semi-structured interviews that were carried out with the research participants. Convenience and purposive sampling were used to interview accountants, small business owner-managers, and other relevant stakeholders, gathering data on their experiences, motivations, and perspectives relevant to the present study. The "Conditional/Consequential Matrix" developed by Strauss and Corbin (1998, p.169) was used to categorize codes into three main categories: contextual conditions, actions and reactions, and consequences and outcomes. The researcher was a practitioner researcher, engaging both in the practice of his profession and conducting research within the field. This allowed the researcher to bridge the gap between theory and practice and contribute to the advancement of knowledge in the profession. Within this context, the researcher also gave due consideration to the specific ethical considerations and other potential challenges that could have arisen. This study adhered to all applicable ethical standards and guidelines throughout the research process. The research conducted as part of this study was approved by the MCAST Research Ethics Committee (REC) and it was conducted following the ethical guidelines set forth by the MCAST Research Ethics Policy and Procedure. The researcher sought to use his theoretical sensitivity to direct

and follow the interviews and to understand what the data gathered signified within the context of the developing theory (Birks & Mills, 2015).

4. FINDINGS AND DISCUSSION

Results indicated that small businesses wanted, needed, and, in certain cases, depended on their accountants to add value to their business through their accountants' services. Accountants were deemed necessary by owner-managers, since their input allowed them to shift their focus to other aspects of the business that required their expertise more. Results indicated that there seemed to be three main ways of how small businesses expected accountants to add value, with these being: compliance, business advisory, and humanization.

4.1 Compliance

Small businesses acknowledged and appreciated the importance of compliance and gave value to the aspect of the role of the accountant that ensured that they were compliant with their reporting obligations. The data indicated that accountants excelled in the technical aspect of their job, which mainly focused on compliance and regulatory reporting. Accountants had the necessary knowledge and skills and dedicated most of their focus, time, and efforts to the compliance aspect of their job. Results indicated that accountants were heavily engaged in compliance work, with one respondent, a representative of small businesses, claiming: "over-regulation has exhausted people, and this has made accountants much busier". Increased regulatory obligations seemed to be consuming accountants' time and focus, leaving little mental space for broader advisory tasks.

4.2 Business Advisory

Small business owner-managers believed that accountants could add value to small businesses by being more involved in the businesses' proceedings and by assuming an advisory role to help to make small businesses more profitable. However, results indicated that accountants lacked the competencies, skills, and motivation for value creation, and appeared unwilling to move beyond their comfort zones and engage in higher-value activities. Participants indicated that accountants appeared to lack the business and entrepreneurial competencies and skills necessary to take on a more strategic business advisory role. Their limited business competencies, skills, knowledge, and experience hindered their ability to provide business and strategic guidance to small business owner-managers, guidance which could have come in handy in their decision-making processes. Evidence of accountants' lack of business acumen emerged as participants noted that they tended to prioritize cost-cutting and control measures over investment strategies aimed at driving growth and increasing profitability. One participant stated: "accountants focus on how to control business as opposed to how to generate business". Participants noted that accountants focused solely on the financial reporting aspect of the business, neglecting a more holistic advisory approach that considered operational needs. While accountants excelled in calculations and report preparation, they were less effective in analyses and interpretation due to a lack of skills, initiative, and ability to adopt a broader perspective. Small business owner-managers expressed the need for accountants to better understand their operational challenges, with some participants believing that they had received misguided advice, as their accountants failed to account for their daily operational needs when providing guidance.

4.3 Humanization

Participants specifically mentioned the importance of the accountant's physical presence, and human contact and skills in general. Small businesses valued their accountant's attention, care, and accessibility, and communication was considered key. Small businesses valued the human aspect of the accountant's service offering, and participants emphasized that with increased use of online tools human contact had decreased, with one participant stating: "we hardly see our accountants anymore". Small businesses felt that accountants were overwhelmed with work, limiting their availability. One participant noted: "sometimes it feels as though they do not have time for us". As a result, accountants reportedly lacked patience and were less approachable, negatively impacting customer experience. Furthermore, participants also noted that accountants appeared to lack essential soft skills, most notably: the ability to engage in meaningful conversations and communicate efficiently and effectively; the ability to build relationships and demonstrate strong interpersonal skills; empathy and the capacity to understand the client's perspective; and the ability to be proactive, think critically and creatively, and maintain a solution-focused approach. Furthermore, one of the participants, an education and training specialist, claimed: "accountants as a profession would be amongst the most that lack in these (soft) skills". Therefore, while accountants were typically very capable in carrying out the technical aspect of their job, they struggled with the more human-centered facet of their service offering. Small businesses felt that while accountants were doing a good job in keeping them compliant with their reporting and regulatory obligations, they were still not getting the desired value from their accountants, who were not making use of their full potential with respect to the humanization and business advisory aspects of their service offering. Accountants seem to be excelling in the provision of compliance services, which was the area where accountants were dedicating most of their time, energy and focus. This seemed to be partly due to over-regulation and the ever-increasing compliance and reporting obligations and pressures. However, another potential reason was the accountants' apparent reluctance to go beyond their comfort zones and to engage in higher-value activities. Furthermore, from a skill set perspective, accountants seemed to excel in technical skills/knowledge which were typically valuable in the provision of compliance activities. On the other hand, accountants seemed to lack the necessary human and business advisory skills.

This scenario was particularly interesting within the context of the digital transformation, where technological advancements were automating human tasks and supporting real-time reporting initiatives driven by tax authorities. Changes brought about by these technological advancements were potentially eliminating the need for the accountant's intervention in compliance work. This potential was particularly significant in light of the study's findings, which indicated that while accountants excelled in compliance activities, they lacked the skills and motivation to move beyond them. This situation seemed to pose a risk to the relevance and existence of accountants, requiring them to adapt and evolve. In this respect, the following statement by one of the participants assumed greater relevance: "accountants are being cornered to step out of the compliance piece that they've hid in for so long and step up into more of an advisory role which is about planning, creating value, and helping the rest of the organization make sense of numbers".

4.4 Conceptual Model

Based on the findings and ensuing analysis and discussion, a conceptual model (see Figure 3 below) was compiled to graphically depict the findings and factors impacting the process of the evolving role of accountants in supporting small businesses in the digital age. The "Conditional/Consequential Matrix" developed by Strauss and Corbin (1998, p.169) was used to categorize codes into three main categories: contextual conditions; actions and reactions; and consequences and outcomes. These categories have been graphically depicted in the conceptual model. Within the category "contextual conditions", one can note that the digital transformation has two key elements, these being: technology and people. Furthermore, the digital transformation seems to be having an impact on the relationship between accountants and small businesses. As noted in the results, there were three main ways how small businesses felt that accountants could add value: compliance (by ensuring compliance with reporting and regulatory obligations); advisory (by providing business and strategic advice); and humanization (by nurturing strong interpersonal relationships). While accountants appeared to perform well in the compliance aspect, small businesses felt they underperformed in the advisory and humanization aspects of their service offering. This seemed to be the case due to accountants dedicating most of their time, focus, and effort to the compliance aspect of their service. Furthermore, while accountants' current skills aligned well with compliance tasks, their humanization and business advisory skills were lacking. Within the category "actions & reactions", the impact of technological advancements that are expected to result in the automation and elimination of most compliance activities can be noted. As a result of such advancements, compliance will not remain as relevant, and this will give accountants more time to focus their efforts on the advisory and humanization aspects of their service offering. However, this requires investment in people through education, enabling accountants to re-skill and up-skill to transition into the evolved role of the accountant—one that adds value through advisory and humanization efforts.

Weigel and Hiebl (2022, p. 1) and Yigitbasioglu and colleagues (2022) proposed the "resource-based view" as a unifying theoretical lens for research on accountants. These studies confirmed the shift towards a more progressive advisory role of accountants. The present study is unique in that it builds on existing literature while examining the transition of accountants into evolved roles, with careful consideration of the factors influencing this process.

4.5 Propositions

Based on the findings and ensuing analysis and discussion, the following seven propositions emerged from the present study. These have been listed and described in Table 1 below.

Table 1: Emergent propositions about the evolving role of accountants

The Evolving Role of Accountants	No.	Proposition Statement
The Accountant / Small Business Relationship	1	Small businesses want and need accountants to add value to their business through their services in three main ways, these being: compliance; humanization; and business advisory.
Compliance Services	2	Accountants dedicate most of their focus, time, and effort to compliance tasks, and this is an aspect where small businesses feel that accountants perform well.
Advisory Services	3	Small businesses expect accountants to add value by assuming a business advisory role. However, accountants typically lack business and entrepreneurial acumen and are too busy with compliance work bound by regulatory obligations.
Humanization	4	Small businesses value the human aspect of the accountant's service offering and feel that accountants are underperforming in this respect because they lack the time and necessary human skills.
Technology	5	Technological advancements are expected to automate and/or eliminate tasks performed by accountants, particularly those related to compliance work.
Education / Skills	6	Accountants need to reskill and upskill themselves to be able to focus on the humanization and advisory aspects of their service offering.
The Evolved Role of the Accountant	7	Accountants will no longer be required for compliance work and will need to transition into a more human-centered advisory role.

4.6 Limitations

The key limitation of this study is its limited scope. Although a grounded theory approach was adopted, the narrow scope meant that theoretical saturation was not achieved as this would have required more interviewees to participate in the study. Additionally, sampling in grounded theory is not intended to be representative of the population of eligible participants that may participate in the study but to reflect the research phenomenon (Bryant, 2019). This limits the transferability of findings and prevents broad generalisations. Nonetheless, the researcher maintained procedural rigor to ensure the study's quality and credibility, which enabled the development of a conceptual model.

5. CONCLUSION

The digital transformation is having a significant impact on the relationship between accountants and small businesses. Digitalization is facilitating the automation of many tasks previously done manually and is thus putting at stake the viability of certain professions, including the accountancy profession. Accountants need to operate outside of their comfort zone and invest in reskilling/upskilling to be in a position to effectively counter the threat of extinction posed by automation. As results from the present study evince, accountants need to focus on delivering a human-centered service offering and transition into an advisory role. This transition will enable accountants to remain relevant by taking on a more strategic role that can help them leverage their potential as a catalyst for value creation. This study is unique in building on existing literature while examining how accountants transition into evolved roles, with particular attention to the factors influencing this process. Future research could examine how sector-specific or cultural variations influence the evolving relationship between accountants and small businesses, potentially leading to differences across industries and countries. Another valuable direction for research is to explore how accounting education is adapting to prepare both prospective and current accountants for this evolving role. Finally, future research could further explore the potential impact of these changes on the evolving relevance of accountants.

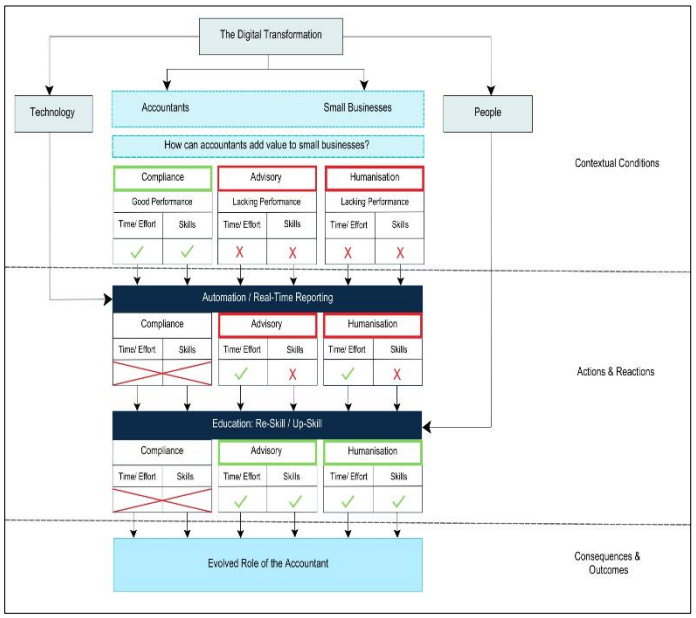

Figure 3: Conceptual Model

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