

# IMPACT OF BLOCKCHAIN ADOPTION ON ACCOUNTING AND AUDITING FROM A DEVELOPING COUNTRY PERSPECTIVE

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Accounting and auditing processes are undergoing changes with internet-based technologies and blockchain is one such technology. However, blockchain adoption is less evident in developing countries and this study investigated the adoption of blockchain in Sri Lanka. The underlying reasons for the lack of blockchain adoption and how the blockchain technology can be adopted in organizations together with the potential benefits and challenges to the accounting and auditing sectors are identified. Also, suggestions on how the accounting and auditing aspects need to be transformed to facilitate blockchain adoption are identified. Among the many approaches, a qualitative general inquiry approach was utilized to obtain an overall understanding to address the research questions. The intensity sampling technique was used to purposively select the most relevant information-rich professionals for interviews. Mainly, technological barriers, organizational barriers, environmental barriers, and lack of institutional pressures were leading to a lack of blockchain adoption. By overcoming the above challenges, blockchain technology should be 'definitely' adopted in Sri Lankan organizations to meet the upcoming revolutions in different industries. Findings on Sri Lankan professionals' perceptions on blockchain adoption together with the views on how accounting and auditing processes and functions should transform to facilitate the adoption, as a developing country, is a novel contribution to practice as well as the existing knowledge. TOE Framework together with the institutional theory is used to explore the lack of blockchain adoption which contributes to the theory.

**Keywords:** *Accounting; Block chain; Auditing, Adoption; TOE Framework*

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