



# The Connotation, Problems and “Ecological Countermeasures” of Creating an “Upgraded Version” of Accounting in the New Age

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## Abstract

With the development of the world economy and the advancement of science and technology, accounting is increasingly valued by the government, the business community, and universities. Accounting needs to move toward internationalization. The accounting profession also has problems such as low quality of information disclosure and the professional quality of accounting personnel to be improved. Application of ecological theory to analyze problems, to explore to create a new era of accounting “upgraded version” of the “Eco-measures” in favor of a new perspective. As advocated by the government to deepen the reform of accounting, law-abiding emphasis on accounting organizations, businesses and other incentive and promotion mechanisms to improve the work of accounting, accounting individual consciousness to strengthen the learning and so on.

## Subject Areas

Accounting

## Keywords

New Age, Accounting, Environment, Eco-Countermeasures

## 1. Creating a Political Environment for the “Upgraded Version” of the New Era of Accounting

### 1.1. Perfect Accounting System

The “Accounting Law of the People’s Republic of China”, which was implemented on July 1, 2000, plays an important role in regulating accounting behavior, ensuring the authenticity and integrity of accounting information, streng-

thening economic management and financial management, improving economic efficiency, and maintaining socialist market economic order. The law was amended on November 4, 2017 and will be implemented from the next day. In order to determine the duties and status of the chief accountant, standardize the financial accounting report of the enterprise, and ensure the true validity of the financial report, the State Council has successively promulgated the Regulations on Financial Accounting Reports and the Regulations of the Chief Accountant. With the approval of the State Council, the Ministry of Finance issued the “Enterprise Accounting Standards” on February 15, 2006, which played a positive guiding role in improving the management level of enterprises and accounting standards, and promoting the sustainable development of enterprises. On November 18, 2005, the Chinese Ministry of Finance, the China Accounting Standards Board and the International Accounting Standards Board signed a joint statement confirming that China’s accounting standards and IFRS have achieved substantial convergence.

### **1.2. National Leaders Attach Importance to Accounting Work**

General Secretary Xi Jinping pointed out in the work report of the “19th National Congress of the Communist Party of China”: “We must give play to the strategic guiding role of the national development plan, improve the coordination mechanism of economic policies such as finance, currency, industry and region. Accelerate the establishment of a modern fiscal system and establish clear powers and responsibilities. Financial coordination, regionally balanced central and local fiscal relations. Establish a comprehensive and standardized, standard scientific, and binding budget system, comprehensively implement performance management, deepen tax system reform, and improve the local tax system.” [1]. This emphasis on economic work, including accounting, is not only reflected in the national economic management, but also in the process of strict military management. For example, the General Office of the Central Military Commission issued the “Factual Plan for the Comprehensive Investigation of Financial Work of the Whole Army”, conducted a comprehensive inventory of the use and expenditure of various funds for the entire military in 2013 and 2014, and focused on correcting financial and economic problems. Li Keqiang (2016) Prime Minister also pointed out: “Finance is an important basis for the government to perform its duties, and it is an important lever for macroeconomic regulation and control. Fiscal expenditure is a direct and powerful means to promote stable and rapid economic development. Accounting is very important for mass entrepreneurship and innovation. Accounting must be honest, not fake.” [2].

### **1.3. Have the Incentive to Adapt to Changes in Market Demand**

Yu Weiping (2013) once pointed out: “In the historical process of China’s reform and opening up, the accounting industry has made great contributions. In the face of the new situation and new requirements of economic and social

and capital market development, the accounting industry must be rooted in economic and social development. To serve capital market reform and enterprise innovation and progress. Yang Min (2012) also pointed out: "The majority of accountants should explore the roots of accounting culture, cast the soul of accounting spirit, and use the spirit of accounting to inspire us to move forward, thus providing a strong impetus to promote China's economic and social development and promote accounting reform and development. Spiritual motivation and intellectual support". Guo Daoyang (2008) believes: "Accounting history research is the leading part of accounting theory research. The research results of accounting history are the basis for systematically studying accounting academic issues. Accounting must keep up with the times and adhere to the scientific development concept to promote the socialist market economy [3]. Comprehensive development under conditions. How to rationally exert the regulation and promotion of accounting on the economy from the perspective of national strategy is particularly important. Therefore, exploring its impact on the accounting practice of the new era and its prospects will play an important role in further promoting the development of China's economy and accelerating the construction of an open economic new system [4].

## **2. The Connotation and Problems of the "Upgrade Version" of the New Era Accounting**

### **2.1. Create the Connotation of the "Upgraded Version" of the New Era Accounting**

#### **1) Broaden the field of accounting control and establish and improve "macro accounting".**

The 21st century is an era of globalization of the knowledge economy. Information and technology are circulated on a global scale, which has strengthened exchanges between countries and promoted the process of new economic globalization. This will, to a large extent, drive accounting development towards the macroeconomic world. Accounting should gradually broaden its control field, gradually participate in the decision-making level and form a macro-accounting control system, form an international standard for accounting standards, strengthen the exchange of accounting education, accounting institutions and accounting personnel between countries, and promote the internationalization of accounting. For example, during the "Thirteenth Five-Year Plan" of national economic development, China has representatives with accounting standards-setting institutions in the BRICS countries such as South Africa, Russia, Brazil, India, and ASEAN "10 + 3" international accounting standards-setting bodies such as Korea and Malaysia. The meeting held talks on the convergence of accounting standards, promoted the convergence of accounting standards within the BRICS countries and ASEAN "10 + 3", opened up bilateral or multilateral capital markets in an orderly manner, promoted international trade and internationalized RMB. Development has created a good accounting environment.

## **2) Deepen accounting reform and establish and improve “green accounting”.**

People have gradually realized the seriousness and urgency of the issue of ecological environmental protection. General Secretary Xi Jinping pointed out in the report of the “Nineteenth National Congress”: “We must implement the most stringent ecological environmental protection system, form a green development mode and lifestyle, and firmly follow the path of civilized development of production development, affluent life and good ecology.” Today, globalization, the governance of the ecological environment should also break through the boundaries of a country, the accounting profession has a long way to go. For example, in the 1980s, the World Bank proposed the concept of “green accounting”, and the “green GNP/sustainable income” that was subsequently proposed was quickly accepted and gradually became a measure of development progress and an alternative to traditional macro-calculation indicators. Preferred indicator. Accounting for green GDP, green GDP, resource costs, and environmental costs required in green GDP accounting will depend on accountants and statisticians. In addition, the accounting profession should also establish corresponding environmental accounting standards around environmental governance and environmental cost control, so that environmental cost accounting is systematic and systematic.

## **3) Promote open financial sharing in the context of “Big Data” and “Internet Plus”.**

Science and technology have driven the information technology revolution based on the Internet and characterized by big data, which has profoundly affected the reform of accounting and accounting processes and accounting processes. Financial sharing service is based on information technology and financial business process processing. In order to optimize organizational structure, standardize processes, improve process efficiency, reduce operating costs or create value, we provide professional production services to internal and external customers from a market perspective. Distributed management mode. The Financial Sharing Center provides information and data support for branch offices and high-level decisions in various regions. As early as the 1980s, Ford of the United States had established the first financial shared service center, followed by Dell, Citi, Procter & Gamble, Johnson & Johnson and other companies have also established a financial sharing center. Nowadays, more and more enterprises in China have embarked on the road of financial sharing. For example, the financial sharing center created by Dadi Times Culture Communication (Beijing) Co., Ltd. (referred to as “Dadi Group”) has been implemented for 20 months since 2010, and the per capita cost of the center has decreased by 22%, achieving the goal of improving efficiency and financial transformation. It provides potential for further business expansion [5].

## **4) Emphasis on internal control of the company.**

Zhang Longping (2016) believes that reforming and implementing China’s

audit report series guidelines to effectively improve the information content and audit transparency of audit reports is the primary task facing the current audit practice community. Modern auditing, which is an important part of modern accounting, has become an important part of modern economic control. Today's audit work should change the standardization of rhetoric, will fully reflect the auditor's key views as a reform goal, meet the wave of globalization and promote the international development of audit. At the same time, it is necessary to strengthen the internal control management of enterprises and form a unified internal control system. In 2015, 2678 of the 2827 listed companies in China disclosed internal control evaluation reports. Among them, the evaluation conclusions are 2649 as a whole, accounting for 98.92%; the evaluation conclusions are 29 non-overall, accounting for 1.08%. It can be seen that the internal control of Chinese enterprises has achieved remarkable results, but there are still problems such as unclear responsibility theme, heavy results and light process. Therefore, it is an important issue for the development of accounting in the new era to improve the legal system of accountant auditing and to reform the audit report while promoting the coordinated development of financial accounting, management accounting and financial management.

## **2.2. Problems in Creating “Upgrade Version” of the Accounting**

### **1) The quality of accounting information disclosure.**

Vigorously improving the quality of accounting information and improving the construction of accounting information systems are crucial to the development of accounting in the new era. China has formed an accounting and regulatory system based on the “Accounting Law of the People's Republic of China” and accounting normative documents. However, due to human factors, system defects and the lack of audit supervision, there are problems such as fraud and illegal operation in accounting information disclosure. This has seriously hindered the management of enterprises and hindered the democratization process of financial decision-making. The wide application of information technology has promoted information sharing and revolutionized the collection, storage and processing of accounting information leap. At the same time, however, it increases the risk of information leakage. The easy modification of electronic information and the hidden dangers of network security in the new era are two major problems that must be solved to improve the quality of accounting information [6].

### **2) Accounting personnel's professional ethics and quality education issues.**

Accounting personnel who are the subject of economic activity record have an irreplaceable position and role in the market economy. The level of professional ethics of accountants is directly related to the quality of accounting, which in turn is related to the healthy development of the economy. At present, the polarization of the accounting market in China is serious, the general accounting is saturated, the senior accounting talents are in serious shortage, and the feminization phenomenon is obvious. The rapid expansion of accounting education

and the low efficiency of services are taking advantage of the development of China's accounting industry [7]. Strengthening the investment of accounting education, enhancing the socialization tendency of accounting education, and facing the era of information and knowledge economy, cultivating all-round accounting talents and improving the professional cultivation and moral level of accountants are the key links to improve the quality of accounting personnel and professional cultivation.

### **3) Problems caused by changes in the current accounting environment.**

For example, in the process of "One Belt, One Road" investment and construction, enterprises face a series of tax problems [8]. In Africa, Southeast Asia, Latin America and South Asia, the economy is relatively backward, and the taxation and other systems are relatively imperfect. Because of the need to apply for translation and intermediary in the local taxation, this has greatly increased the cost of taxation. In the process of going abroad, accounting faces a new political, economic, legal and cultural environment, and encounters new difficulties in accounting standards, accounting management, and accounting review. This requires internal and, in the process of structural reform of the supply side, to explore how to resolve excess capacity, how to reduce the production cost of enterprises in the accounting process, reduce taxes and reduce taxes, and prevent financial risks; how to conduct land and resources in accounting Optimize the configuration, accelerate land transfer, increase the total factor leverage, and carry out state-owned enterprise reform.

## **3. The "Ecological Countermeasures" of Creating an "Upgraded Version" of Accounting in the New Age**

Ecology is the science that deals with the organism and its living environment. For example, Sun Ruyong (2006) showed that animals in order to inherit their genes as much as possible in their lifetime will adopt a series of "ecological measures" such as "parental behavior" to adapt to changes in the environment. Applying ecological theory to analyze problems is conducive to exploring the "ecological countermeasures" for creating an "upgraded version of accounting" from a new perspective.

### **3.1. "Parental Behavior" in Accounting Inheritance**

Ecology has found that the "parental behavior" of animal females and males in caring for young children is to increase the survival and reproduction ability of offspring, and to reduce the "investment" of the parents to future generations. For example, most birds, male and female parents, together with hatching and child-raising behavior, are more conducive to the survival of chicks. In the inheritance and reference of accounting culture, the government's series of support behaviors are not only similar to the "parental behavior" in ecology, but also more scientific and powerful. The government has adopted a series of policies to support the development of accounting and gradually increase its investment and concern for the development of human, financial and material resources.

The implementation of the Accounting Law is one of the representative support measures. The government should advocate and establish a high degree of accounting culture consciousness and self-confidence in the whole society. This self-confidence comes not only from the profound history of accounting culture in China, but also from the revitalization of our economy and the prosperity of culture. On the other hand, the government should carry forward the accounting culture and accounting spirit with “integrity” as the core in the whole society, and carry forward the professional spirits of “introspection”, “prudence alone”, “hard work” and “service” in accounting, and inherit excellent from many angles. Traditional accounting culture promotes the inheritance and development of accounting culture.

### **3.2. “Foraging Behavior” in Accounting Learning**

Ecology believes that animals maintain normal life activities, and their own unique ways to obtain the food needed for survival are “foraging behavior”. As the environment changes, they can also improve their search routes with experience and learning, and pass on this tradition from generation to generation. For example, humpback whales can effectively learn predatory techniques such as tapping their tails before eating small fish. Other partners will learn from each other. In human society, the study of knowledge is equivalent to the process of foraging. The sustainable development of China’s accounting industry, in the final analysis, must provide strong support for professional and intensive accounting personnel with professionalism, ethics and excellent business. For example, in 2007, the Ministry of Finance issued the “National Accounting Leadership (Backup) Talent Cultivation Ten-Year Plan” to support the construction of national accounting leading talent training projects. But the number of these high-end talents is far from enough. Therefore, the government should improve the comprehensive training mechanism for accounting talents and promote the training of accounting talents nationwide. Enterprises must continuously strengthen the construction of the overall quality of the accounting team, improve the reward and punishment mechanism, and continuously improve the professional quality and overall strength of corporate accounting. For accounting associations, we must continue to host and conduct accounting academic conferences, and strengthen the exchange and communication of accounting theory. Actively promote the sustainable and healthy development of the CPA industry and expand the business scope of accounting firms. For accounting individuals, it is necessary to strengthen the consciousness of learning and combine accounting theory practice.

### **3.3. “Altruistic Behavior” in Accounting Services**

In the process of evolution, nature animals believe that animal behavior is not selfish at all times, and often has altruistic behaviors that cooperate with each other. For example, many birds and mammals warn their companions by means

of tweets when they come to the natural enemies; they even help other individuals to survive and reproduce. In this regard, there are reasons such as “kind choice” and “reciprocity”. Social insects such as ants and bees provide examples of obvious altruism in the care of young animals in the group and the swearing of the offenders, sacrificing themselves and protecting the entire group from infringement. There is also a clear “altruistic behavior” in accounting services. Accounting services, including auditing and consulting, originated in the UK and have become an important category of services. The practice of the CPA industry in developed market economies shows that auditing, consulting, and taxation constitute the “troika” of the firm’s business income. First, on the basis of solidly doing the traditional auditing business, consolidate and expand the new auditing business and guarantee the auditing quality level; second, it is necessary to increase investment consulting and talent team building, and expand the consulting service market; third, we must improve the laws and regulations, and clarify the law. Responsibility; Fourth, we must implement a diversification strategy, improve service quality and service efficiency, and make a difference in the highly competitive accounting market.

### **3.4. “Competitive Behavior” in Accounting Innovation**

In the survival and reproduction of animals, animals often face competition from other animals for related foods, nests and spouses. There are many kinds of competitive behaviors of animals. Some threaten by screaming and roaring, and some use a tooth, a mole or a horn to make a harmful bite. At this time, the strongest and most experienced animals are easy to win, and they can become a higher “social level” in the group. For example, the area required for carnivores is larger than that of herbivores of the same weight. It requires more energy to obtain food, including chasing and hunting prey in a changing environment. With the development of economic globalization and regional integration, global competition has intensified, requiring accountants to have a strong sense of innovation, a positive spirit of innovation and a strong ability to innovate. Innovation is the soul of accounting survival and development in the new era, and it is also the key to winning in accounting competition. First, the government should take corresponding measures to encourage the development of innovation and increase investment in accounting research. At this point, accountants must challenge the tradition, develop innovative spirit, do their own work, and make suggestions for enterprises or organizations. Accounting personnel analyze the risks and benefits of innovation input and output from the perspective of accounting, and assist entrepreneurs to carry out innovative activities. Accountants actively learn new knowledge, use Internet technology, master new technologies and new methods; establish innovative consciousness and innovative spirit, and improve their ability to innovate.

### **3.5. “Mutual Symbiosis” in Accounting Development**

Ecologists have observed that while ants use the alloy tree as a habitat and feed

on the sweet juice secreted by its tip, they can “attack” other animals that attempt to touch the trees on which they depend, and “Clear” other plants that compete with it. This is a very meaningful relationship of “mutual benefit and symbiosis.” Mutually beneficial cooperation is the trend of development in the current era. To seek development, we must work for mutual benefit. In order to achieve all-round breakthroughs and progress in the new era, the accounting industry is inseparable from the support and cooperation of all sectors of society. On the one hand, corporate accountants can cooperate with relevant intermediary organizations to develop mutually beneficial cooperation in personnel training. These organizations include accounting firms, accounting societies, law firms, asset valuation, financial markets, fiscal and taxation journals, accounting firms, and accounting information services. Through personnel training and exchanges, strengthen the connection between theory and practice, and solve the practical accounting problems. On the other hand, we must strengthen cross-border exchanges Academic conferences such as accounting reforms are being carried out between universities at home and abroad. Exchange and cooperation between accounting higher education and academic research through mutual exchange of students, visiting scholars, and signing cooperative education programs; actively participate in the reform of the IFRS Foundation governance structure, fully participate in the development of international financial reporting standards, and steadily promote accounting International convergence and equivalence, continue to participate in institutional international exchange activities such as the IFRS Foundation Trustee Meeting, the International Accounting Standards Board Working Group Meeting on Emerging Economies, and continuously improve the international discourse power and influence of Chinese accounting.

#### **4. Conclusion**

In the blink of an eye, accounting development has been going on for thousands of years. There are twists and turns in the transition, and there are roundabouts outside the twists and turns. There is no end to reform, and innovation continues. Under the guidance of General Secretary Xi Jinping to create a new era of socialism with Chinese characteristics, he creatively explores the direction of accounting development in the new era from an ecological perspective. The government, the public opinion community, the accounting practitioners, and the education community can work together to solve the confusion of accounting development in the new era. In the new era, it is necessary to master international rules and strengthen innovation in order to promote the coordinated development of accounting and economic activities.

#### **Conflicts of Interest**

The authors declare no conflicts of interest regarding the publication of this paper.

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