Webpage: HRYIUK

Return to References

Author	Olga Hryniuk;
Title	The Use of Cryptocurrency Consensus: Why and How
Web Domain	Applicature
Date of Release	13 November 2018
Keywords	Blockchain Consensus protocol,
URI	https://applicature.com/blog/blockchain-technology/consensus-protocol
Data Accessed	2021/07/21 22:39

Description

Return to Top

With no single leader, blockchain consists of a network of individual nodes that are connected in a decentralized manner. In order for any action to happen or for any transaction to go through, a common consensus must be reached. This system functions according to a consensus protocol (a mechanism). In this article, we outline the functionality of cryptocurrency consensus algorithms along with their types, peculiarities, and pros and cons in various blockchains.

Blockchain technology functions as a decentralized digital ledger with a peer-to-peer payment and interaction system. Its main characteristic is its independence and freedom from centralized control and the interference of authority. Devoid of single-institution dependence and corruption, the blockchain is currently solving a myriad of organizational issues within a wide range of industries. It provides users, providers, and organizations with transparent record-tracking, immutability, enhanced security, and, of course, safe, fast transaction processing.

On the other hand, the implementation of blockchain might not be as easy as its concept. It is crucial to understand how to make decisions within the system, and how to perform all sorts of actions without the common pattern of centralized leadership management.