

FACTORS AFFECTS THE USE ACCOUNTING INFORMATION SYSTEMS AMONG INDUSTRIAL COMPANIES IN JORDAN

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Abstract: This study examines factors that significantly affect the use of contemporary accounting information systems by industrial companies in Jordan. These factors were the specific characteristics of accounting information. This study adopted a conclusion approach to reaching its objectives. Provides a theoretical framework for building hypotheses. Hypotheses were tested to see which results could then be generalized. Thirty participants from different industrial companies in Jordan participated in the study. After reviewing several relevant studies, a five-point Likert scale questionnaire was designed to collect the required data, which was analyzed using SPSS.

Keywords: Financial Report, Accounting Information System (AIS).

1. RESEARCH BACKGROUND

The present era is named the time of technology, as a results of the development of techniques and ways which may be utilized in business style and development of organizations and numerous sectors and economic units to hold out their various operations and activities, completely different circumstances have contributed to the creation and use of those advanced technologies, and at this time, nobody can deny or ignore these technological developments obligatory by the economic environment and industrial and technological development (Abu-Olaiwa, 2019). several firms today have faith in a large range of computer-based information systems to create appropriate decisions; since accounting encompasses a large share of those systems, most of the international establishments and firms in general and also the Arab, specifically, relied on their accounting information systems (Hassoun, 2017).

In order to survive within the market and also the continuity of the competition, accounting information systems have an enormous role within the survival of these firms, wherever accounting information could be a major resource they need, additionally to different company's resources, like instrumentality, human resources, etc., firms should develop accounting information systems to stay pace with these developments and keep up with the necessities of future stage (Al-Qalab, 2018). several Arab firms look to stay with economic developments at the local and world levels through the applying of advanced accounting information systems because they're cognizant that these advanced systems can contribute to raising the efficiency of these companies altogether fields (Abu-Ras, 2018).

Unfortunately, the literature on the role of accounting information systems in the MENA (Algeria, Bahrain, Djibouti, Egypt, Iran, Iraq, Jordan, Kuwait, Lebanon, Libya, Malta, Morocco, Oman, Qatar, Saudi Arabia, Syria, Tunisia, United Arab Emirates, Palestine, Yemen, Ethiopia Sudan and Israel) countries has been low, although international studies have revealed the importance of accounting information systems in presenting financial statements in an integrated and appropriate manner for all (Harooz, 2018). According to Nazir et al. (2014), understanding of accounting information systems by employees and management of these companies in the countries of the Middle East and North Africa is very low. Despite that accounting information system was applied in one company or in a particular sector such as a study

(Ganyam & Ivungu, 2019). The Jordanian market is characterized by a highly competitive market, operating in a changing and volatile environment, which makes industrial companies operate in unstable conditions because competition policy in the Jordanian market threatens the industrial companies in terms of their viability, growth, and sustainability (Al-Ibbini, 2017). Where the outbreak of the global financial crisis in 2008 led to the decline of profits of some industrial companies, while others decreased the value of their shares, and their financial portfolios have fallen. Therefore, when preparing the financial statements should provide relevant information to help investors and current and future shareholders in the process of making the appropriate investment decision, any bias or inadequacy of any of the information contained in the financial statements of the industrial companies loses its reliability and credibility (Al-Bawab, 2017).

The research intends to investigate the role of accounting information properties (Predictive Value, Timeline, Feedback Value, Representational Faithfulness, Verifiability, and Neutrality) on accounting information systems.

2. THEORETICAL FRAMEWORK

This study chose to use the qualitative characteristics of accounting information, and this decision is taken into consideration for several reasons. Initially, the formulation of qualitative characteristics of accounting information relied on six fixed models as follows: Predictive Value, Timeline, Feedback Value, Representational Faithfulness, Verifiability, and Neutrality. The use of these six factors together in a single form, the "qualitative characteristics of accounting information", is seen as more appropriate and will be the basis of this study. The fact that this model is more appropriate in measuring behavior and acceptance rather than previous theoretical models is therefore this is the second reason for its use in this study. Regardless, the qualitative characteristics of accounting information seem to have the ability to anticipate the adoption of accounting information systems in about 68% of cases (Al-Dalabih, 2018), while other accreditation models can only predict approximately 33% of cases (Tan, 2016).

3. METHODOLOGY

This study selected 30 participants from industrial companies to be participants. The data was obtained online (online questionnaires on the www.surveymshare.com site), and the questionnaire includes one part and this section contains eight basic designs that are linked to the use of accounting information systems.

4. INSTRUMENT'S RELIABILITY

the pilot test determines the reliability of the grading tools before the real monitoring work is performed. In Gay and Airasian (2006), reliability determines the level at which the test measures what is constant. Furthermore, the basic consistent quality of the internal consistency of the information contained in the experimental study is estimated using Alpha Cronbach's (Cronbach, 1984). Zander and Kogut (1995), alpha Cronbach value can be expanded in a number of things or a natural relationship.

Table 1: Scale Reliability Alpha – Pilot Test of Model's Questionnaire (N=30)

Variable	N. of Items	Alpha (a)
Predictive Value	7	.913
Time Lines	5	.874
Feedback Value	5	.863
Honesty in representation	5	.920
Verifiability	5	.861
Neutrality	5	.942
Accounting Information Systems	8	.944
Financial Report	6	.901

5. SUMMARY

The use of modern accounting information systems contributes to increasing the efficiency and effectiveness of companies. In addition, in the position of industrial companies, these systems have become very necessary. To this end, current research examines the requirements for the use of modern accounting information systems in the context of industrial companies.

The results obtained indicate that both the environment and infrastructure available in industrial companies are suitable

for the application of modern accounting information systems. In addition, the study provides more knowledge about the current state of management awareness in companies of the importance of modern accounting information systems. In addition, the study found that respondents in industrial companies already have sufficient knowledge in addition to awareness about the adoption and use of contemporary accounting information systems in their field. However, there are also barriers and obstacles that may hinder the actual use of contemporary accounting information systems, including the fear of management from applying these systems in addition to their high cost. Therefore, further studies should be carried out. However, as this research found, participants were well aware of the limitations on the use of contemporary accounting information systems to support and improve the quality of financial reports of industrial companies.

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