

[Using Information Technology to Increase the Quality of Financial Statement Data in the Modern Environment]

(Field Study)

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Abstract:

The integration of information technology (IT) in accounting and auditing has become a significant aspect of contemporary business practices, leading to its extensive usage and advancement. This progress has resulted in an upsurge of information requiring effective processing, storage, retrieval, and display across various forms and applications. This study aimed to investigate the role of IT in enhancing the quality of financial statement data in the contemporary business environment. The hypotheses of the study were tested through a field study, involving a sample of internal auditors, directors of the Internal Audit Department, and heads of the Internal Audit Departments from auditing firms and banks within the Gaza Strip. The collected data were analyzed with the Statistical Package for Social Sciences (SPSS) to confirm or refute the proposed hypotheses. Significant findings suggest a correlation at the 0.05 level between the efficiency of IT users for financial information, internal control procedures over IT utilized in financial operations, the reliability of financial statements developed using IT, and the quality of financial statement data in the modern context. Key recommendations included promoting the use of IT as a tool for garnering high-quality accounting information to facilitate informed decision-making, reducing errors in financial statements, and ensuring consistent application of accounting principles and policies for financial operations within organizations.

Keywords: Information Technology, Quality of Financial Statement Data, Modern Business Environment.



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[استخدام تكنولوجيا المعلومات لتحسين جودة بيانات القوائم المالية في البيئة الحديثة]

(دراسة ميدانية)

الملخص:

أصبح دمج تكنولوجيا المعلومات في المحاسبة والتدقيق جانباً مهماً من ممارسات الأعمال المعاصرة، مما أدى إلى استخدامها على نطاق واسع وتقدمها. وقد أدى هذا التقدم إلى زيادة كبيرة في المعلومات التي تتطلب معالجة وتخزين واسترجاع وعرض فعالة عبر أشكال وتطبيقات مختلفة. هدفت هذه الدراسة إلى التحقيق في دور تكنولوجيا المعلومات في تحسين جودة بيانات القوائم المالية في بيئة الأعمال المعاصرة. تم اختبار فرضيات الدراسة من خلال دراسة ميدانية شملت عينة من المدققين الداخليين ومديري إدارة التدقيق الداخلي ورؤساء أقسام التدقيق الداخلي من شركات التدقيق والبنوك في قطاع غزة. تم تحليل البيانات المجمعة باستخدام الحزمة الإحصائية للعلوم الاجتماعية (SPSS) لتأكيد أو دحض الفرضيات المقترحة. وتشير النتائج الهامة إلى وجود ارتباط عند مستوى 0.05 بين كفاءة مستخدمي تكنولوجيا المعلومات للمعلومات المالية، وإجراءات الرقابة الداخلية على تكنولوجيا المعلومات المستخدمة في العمليات المالية، وموثوقية البيانات المالية التي تم تطويرها باستخدام تكنولوجيا المعلومات، وجودة بيانات البيانات المالية في السياق الحديث. وتضمنت التوصيات الرئيسية تعزيز استخدام تكنولوجيا المعلومات كأداة لجمع معلومات محاسبية عالية الجودة لتسهيل اتخاذ القرارات المستنيرة، والحد من الأخطاء في البيانات المالية، وضمان التطبيق المتسق لمبادئ وسياسات المحاسبة للعمليات المالية داخل المنظمات.

الكلمات المفتاحية: تكنولوجيا المعلومات، جودة بيانات البيانات المالية، بيئة الأعمال الحديثة.

General Framework

Introduction:

In recent years, IT has experienced significant advancements, leading to its widespread integration across all operational facets of businesses. IT's benefits, such as speed, precision, and wide accessibility, have greatly contributed to achieving organizational objectives and bolstering competitive strategies. As a result, IT has transformed into an indispensable resource, even in the presence of efficient human capital.

Particularly in the context of financial operations, which hold paramount importance across all organizations, the adoption of IT has seen substantial progress. Given the inherent risks and the necessity for high levels of accuracy, credibility, and reliability associated with financial operations, the use of IT has resulted in enhanced productivity and precision (Al-Qarala, 2011).

The application of IT in accounting and auditing is a contemporary issue that has greatly impacted business operations, leading to its accelerated development and increased usage. The

advancement of IT has further resulted in an influx of data requiring efficient processing, storage, retrieval, and display across various forms and applications.

Financial statements, being the end products of accounting, encapsulate all recorded data in a summarised form as a suite of reports. These reports are not an end in themselves but serve as a means to derive benefits from information and results, aiding in decision-making, performance evaluation, and financial position assessment (Badawi, 2009: 262).

The primary aim of financial statements is to deliver high-quality and decision-useful financial information, which is of vital importance to all investors and financial markets. Despite their importance, the late 20th-century events impacting numerous companies and banks have undermined confidence in these statements, intensifying the demand for higher-quality financial statements (Sharani, 2013).

Therefore, this research aims to elucidate the correlation between the use of IT and the improvement in the quality of financial statement data in the contemporary business environment.

Research Problem:

The main research question to address is: What is the correlation between the use of IT and the enhancement of the quality of financial statement data in the contemporary business environment?

This overarching question can be further delineated into the following sub-questions:

1. How does the efficiency of financial IT users relate to the enhancement of financial statement data quality in the modern context?
2. What is the relationship between internal control procedures over IT used in financial operations and the improvement of financial statement data quality in the modern setting?
3. How does the reliability of financial statements, when developed using IT, contribute to increasing the quality of financial statement data in the contemporary business environment?

Research Objectives:

This research intends to:

1. Identify the correlation between the efficiency of IT users handling financial information and the enhancement of financial statement data quality in the contemporary business environment.
2. Examine the relationship of internal control procedures over IT used in financial operations with the improvement of financial statement data quality in the modern business setting.
3. Investigate the impact of the credibility of financial statements produced using IT on enhancing the quality of financial statement data in the modern environment.

Research Importance:**The significance of this research is underscored by the following points:**

1. Assisting Palestinian insurance companies in harnessing the potential of IT to enhance the quality of financial statement data in the contemporary business setting.
2. Encouraging further research in this area, given the paucity of studies investigating the influence of IT usage on improving financial statement data quality in the modern environment.
3. Addressing a research gap in both the Palestinian and broader Arab library resources, where such studies are relatively scarce.

Research Hypotheses:

1. There exists a significant correlation (at the 0.05 level) between the efficiency of IT users handling financial information and the enhancement of financial statement data quality in the contemporary business environment.
2. There exists a significant correlation (at the 0.05 level) between internal control procedures on IT used in financial operations and the improvement of financial statement data quality in the modern business setting.
3. There exists a significant correlation (at the 0.05 level) between the credibility of financial statements produced using IT and the enhancement of financial statement data quality in the modern environment.

Research Boundaries:

1. Human constraints: The study involves internal auditors, directors of the Internal Audit Department, and heads of Internal Audit Departments.
2. Geographical constraints: The study is confined to auditing firms and banks in the Gaza Strip.
3. Temporal constraints: The research was conducted during the year 2018.
4. Conceptual constraints: The focus is on understanding the relationship between the use of IT and the enhancement of financial statement data quality in the contemporary business environment.

Theoretical Framework

First Topic

Information Technology (IT)

Concept of Information Technology:

Numerous studies and literature have provided definitions for IT, some of which are presented below:

Zaqqout (2016) describes IT as a technology that relies on computers and other advanced data processing methods to achieve rapid processing, storage, retrieval, and conversion into reliable information for timely decision-making.

Al-Dhalaa (2013: 27) defines IT as an integrated framework that melds tangible and intangible outcomes of scientific knowledge. This includes devices and equipment, notably computers and their accessories, software, telecommunications systems, computer networks, and databases. The human skills representing technical knowledge are used to acquire, process, organize, store, publish data with the capability of retrieval as per the organization's needs to efficiently achieve its goals.

Al-Taie (2007: 109) refers to IT as the scientific, technological, and engineering domains, along with administrative methodologies employed in the treatment and processing of information. This involves applications related to computations or computers, their interaction with people, and the related socio-economic and cultural issues.

Drawing from these definitions, the researcher perceives IT as a combination of technologies, devices, and communication methods that collect, process, store, update, and retrieve data with high accuracy and speed, minimal effort, and deliver it to users for timely decision-making.

The Importance of Information Technology:

Before we delve into the significance of IT across various fields and activities, let us outline the fundamental necessities for IT as identified by Dowling & Leech (2014):

1. Numerous businesses in the information era are reliant on IT.
2. IT plays a significant role in enhancing services and productivity.
3. IT has a considerable impact on the execution of diverse activities and tasks.
4. IT is integral to adhering to departmental policies within economic units and safeguarding their assets.
5. The demand for information has increased substantially.

Advantages of IT:

IT has emerged as a critical component in business operations, making its use fundamental to management and business. This necessity stems from the numerous benefits this technology offers (Ali & Shehata, 2006: 248), which include:

1. Timing - IT enables the provision of information in a timely manner.
2. Improved comprehension and facilitation of information analysis.
3. Risk reduction surrounding control procedures.
4. Ensuring appropriate task segregation, thereby assigning tasks to users based on their capabilities.
5. The ability to handle complex computations and process a large volume of transactions quickly and cost-effectively, without operational or mathematical errors.
6. Facilitating self-audits for all daily operations.

Disadvantages of IT:

Despite the considerable advantages offered by IT, there are certain drawbacks. For instance, IT can reduce employment opportunities when machines replace human labor. IT also necessitates specialized training for its effective use. Additionally, IT systems often encounter errors that halt work procedures, thus requiring skilled and trained staff to address such issues (International Faisal Academy, 2009: 23).

Second Topic

The Financial Statements Data Quality

Concept of Financial Statement Quality:

The quality of financial statements reflects the veracity of the company's condition, as it is free from errors, misrepresentation, forgery, and fraud, and is completed with honesty and without exaggeration, given its impact on the determination of procedures or decisions (Boukhalifa, 2013: 13). Abu Hamam (2009: 54) defines financial statement quality as the qualitative characteristics of accounting information that arise from the benefits of accounting information in decision-making. This is dependent on the degree of confidence in the information and its suitability and comparability, all of which contribute to enhancing the benefits of accounting factors in decision-making.

Based on these definitions, the researcher posits that the concept of the quality of financial statements should be devoid of distortions and misinformation. They should be prepared according to legal, regulatory, professional, and technical standards, providing information that aids its users in making rational decisions.

Characteristics of Quality Financial Statements:

The demand for high-quality accounting standards has increased to enable users of financial statements to make their economic decisions, aiming to achieve the highest possible return. Quality financial statements contain accurate information, are free from misrepresentation, and fairly and correctly represent the financial position of the institution. In this context, the International Accounting Standards Board has identified four characteristics that make the financial information presented of high quality and beneficial to users (Badawi, 2012: 39):

1. **Relevance:** Useful accounting information must be pertinent to the needs of decision-makers. The information is relevant when it influences users' economic decisions by assisting them in assessing past, present, and future events, and making predictions. Its absence typically leads to incorrect decisions (Al-Hajj, 2013, 26).
2. **Comparability:** The information displayed in financial statements allows users to make comparisons within the institution itself and between other institutions, evaluating its financial status, performance, and changes in its financial status. This compels institutions to inform financial statement users about the accounting methods used, any variables affecting these methods, and the effects of such changes (Azaar, 2012: 30-31).
3. **Reliability:** The data should be free from significant errors and impartial towards the conflicting interests of those who use this information. This feature is achieved through the synchronization of financial information with the following secondary characteristics: Authenticity of representation, impartiality, verifiable information (FASB, 1990: 13) (Qurain, 2012).
4. **Understandability:** Operations must be presented and evaluated according to their realities and real content, not just their legal form (Rawi, 2013: 4). In other words, they should be free from ambiguity, easily understood to benefit from them, and the data expressed in the financial statements must be straightforward and clear, avoiding complication (Souissi & Hamakani, 2011: 2).

Factors Affecting the Quality of Financial Statements:

The quality of financial statements is the primary goal that companies aim to achieve. However, several factors influence the process of producing and communicating information and providing the elements of an accounting system. These can be explained as follows (Al-Qadi, 2000: 30):

1. **Physical Components:** This includes all physical elements, such as tools and manual and automatic accounting devices used in the production of accounting information.
2. **Human Components:** This represents the group of people responsible for operating the accounting system and its employees.
3. **Financial Components:** It includes all the funds available to the system that it uses to carry out its tasks and functions.

4. **Database:** This contains a set of necessary procedures and data required to operate the system and achieve its objectives.

The Relationship between Information Technology Utilization and Enhanced Quality of Financial Statements in a Modern Setting:

In a contemporary environment, IT significantly contributes to augmenting the quality of financial statements. IT serves as a potent tool to improve the precision and transparency of financial data, and it eases the processes of collection, analysis, and presentation of such data. Here are some key aspects outlining the relationship between IT utilization and the enhancement of financial statement quality:

1. **Accounting Process Automation:** Accounting software and Enterprise Resource Planning (ERP) systems facilitate and refine the process of accounting entries and data management. These technologies govern the processes, minimizing potential human errors, subsequently increasing the accuracy of financial statements.
2. **Graphic Analysis and Financial Reports:** Utilization of financial analysis tools and reporting software facilitates more precise and effective analysis and interpretation of financial data. This not only provides strategic insights for business management but also assists in making informed financial decisions.
3. **Compliance Assurance and Data Integrity:** The employment of cloud computing technologies and information security measures helps safeguard the integrity of financial data against manipulation or unauthorized access. It aids in the enforcement and monitoring of financial procedures, ensuring compliance with accounting standards and financial laws.
4. **Time and Effort Efficiency:** IT aids in enhancing the efficiency of financial statement preparation, reducing the time required. Data collection becomes quicker and analysis more accurate, enabling accountants and financial managers to produce precise reports in less time.
5. **Transparency and Accessibility:** IT offers channels for easy access to financial statements, allowing their transparent distribution to stakeholders such as shareholders, investors, and regulators. This heightened transparency fosters increased confidence and credibility in the financial statements.

In summation, IT utilization bolsters the quality of financial statements by increasing data accuracy, refining accounting processes, and delivering competent financial reports. This promotes confidence and transparency in the financial market, facilitating vital financial decision-making.

Third Topic

Review of Previous Studies

Several studies have examined various aspects related to the subject of this research. Herein, a selection of these studies is presented:

1. Sakheil et al. (2022): This research sought to discern the role of information technologies in augmenting the efficiency of accounting information and its subsequent impact on enhancing the performance of government organizations. It underscored the impact of information technologies on generating high-quality accounting information to aid managerial decision-making. The study affirmed that the application of modern information technologies results in the production of highly efficient accounting information, significantly influencing decision-making processes.
2. Mousa (2021): This study aimed to comprehend the influence of information technology on the relevance of financial reporting information within governmental units. The researcher posited that financial reporting information should be characterized by simplicity, comprehension, and devoid of complexity. The study advised that accounting information should be supplied regularly utilizing technology. It also emphasized the importance of increased focus on developing accounting procedures coordinated with technological advancements and striking a balance between trust in accounting information and providing information in a timely fashion.
3. Dalloul (2018) conducted a study aimed at measuring the effectiveness of accounting information systems in the context of developing infrastructure for information technology and security in Palestinian Higher Education Institutions in the Gaza Strip. The study found a robust positive correlation between the availability of information technology infrastructure (comprising physical, software, human, databases, communications, and network resources) and the effectiveness of accounting information systems. Additionally, a moderate positive correlation was established between information security (incorporating confidentiality, complementarity, readiness) and the effectiveness of these systems.
4. Kloviene & Gimzauskiene (2015) presented a case study examining the role of information technology in aligning the accounting system with the business environment and evaluating the latter alongside accounting systems. Their study concluded that information technology impacts the accounting process in various ways, enhancing accounting methodologies, knowledge of the business sector, and ensuring the dependability and suitability of documents, reports, and data. Furthermore, it assists in ensuring the alignment between the accounting system and the level of change within the business environment.
5. Mubarakah (2015) aimed to understand the contribution of accounting disclosure in improving the quality of financial statements under the financial accounting system. The study determined that financial statements prepared following international accounting standards significantly enhance the level of accounting disclosure in these statements. The financial accounting system

was found to prioritize users of financial information, particularly through the degree of accounting disclosure it provided.

6. Rashid (2015) examined the influence of information technology (covering hardware, equipment, software, procedures, databases, human resources, networks) on the development of internal auditing procedures. The study found a significant correlation and influential relationship between IT and the development of internal audit procedures. Furthermore, the dimensions of IT were observed to have varied impacts on the advancement of these procedures.
7. Dandago & Rufai (2014) aimed to assess the impact of IT on the accounting information system, the extent of IT use to improve services, and the role of IT in problem-solving and producing high-quality information in the Nigerian banking industry. The study concluded that the use of IT in accounting has a significant role in problem-solving, providing quality information, and preparing timely and accurate reports.
8. Sarokolaei et al. (2012) examined the effect of the effectiveness of IT on the quality of accounting data and reports. They concluded that IT positively influences the timeliness and presentation of information, and the convergence of accounting information with evolving economic conditions.
9. Al-Qarala (2011) explored the impact of IT use on the reliability of financial statements from the viewpoint of Jordanian external auditors. It concluded that there is a significant effect of the efficiency of workers using IT, and internal control over its use, on the reliability of financial statements.
10. AL-Joubory (2007) sought to identify and quantify the substantive transformations in accounting information systems resulting from IT use. The study concluded that the use of IT in accounting has led to the development of new methodologies for the design of accounting information systems and has positively influenced the pattern of accounting treatment and the quality of information.
11. William F. Messier et al. (2004) explored the role of IT in identifying errors made by auditors and its impact on the credibility of the financial statements. The study found that IT plays a significant role in facilitating auditors' performance and enhancing the accuracy of financial disclosures related to financial statements.
12. Yi-Ching Kao et al. (2002) investigated the impact of IT on the productivity level of accountants. The study concluded that there are significant gains in accountants' productivity level following IT use.

This study differs from previous ones in several ways:

1. Past research has not specifically examined the use of IT to enhance the quality of financial statement data in a modern environment, a gap this study aims to fill.

2. This study explores the relationship between two significant variables not addressed in previous studies: the use of IT and the enhancement of financial statement data quality in a modern environment.
3. While previous studies have largely focused on the impact of IT on different aspects, such as career performance, competitiveness, internal control systems, and organizational performance, this study aims to contribute valuable insights into how IT use can increase the quality of financial statement data in a modern environment.
4. Past studies have focused on different environments, such as banks, public shareholding companies, and universities. In contrast, this study concentrates on insurance companies and banks in the Gaza Strip.
5. Previous studies were primarily conducted in developed countries with active financial markets and robust supervisory systems. This study, however, is focused on Palestine, where financial facilities suffer from significant performance issues.

Fourth Topic

Methodology and Procedures

This section elucidates the research methodology, including the sample population, research instruments, and their creation, validity, and reliability. Additionally, it describes the steps undertaken to structure the research tools and their application. The statistical methodologies employed for data analysis are also discussed.

Research Methodology:

In accordance with the research objectives, significance, and hypotheses, the following methods will be adopted:

1. **Inductive Approach:** This will be utilized to scrutinize and infer from previous writings and studies within the accounting field that are pertinent to the research topic, and how they can be instrumental in addressing the research problem.
2. **Deductive Approach:** This method will be employed to reveal the logical implications of hypotheses. It will be done through a survey targeting the perspectives of internal auditors, directors of the Internal Audit Department, and heads of Internal Audit Departments regarding the utilization of IT to enhance the quality of financial statement data in the contemporary audit environment for audit firms and banks in the Gaza Strip.
3. **Descriptive Approach:** This method will be utilized to depict, interpret, and analyze the results from the empirical research carried out to test hypotheses and validate test results.

Study Population:

The research population comprises all internal auditors in the Gaza Strip banks (25 auditors working across 11 banks) and all auditors in auditing firms in the Gaza Strip (130 auditors working across 130 Audit Companies), as per the statement by the Palestinian Association of Accountants and Auditors - Gaza.

Study Sample:

A random sample, including 100 internal auditors, directors of the Internal Audit Department, and heads of the Internal Audit Department, was selected from the research population. A questionnaire was developed and disseminated to the study sample, and the collected data was analyzed and interpreted using the Statistical Package for Social Science (SPSS).

Data Collection Methods:

The researcher relied on two types of data:

1. **Primary Data:** This was collected through field research, with questionnaires distributed to investigate specific aspects of the study. The requisite information relating to the study was collated, and then inputted and analyzed using the SPSS statistical program. Appropriate statistical tests were used with the aim of yielding significant implications and indicators supporting the research topic.
2. **Secondary Data:** The researcher examined books, periodicals, and related publications pertinent to the study, particularly those discussing the use of IT to improve the quality of financial statement data in the modern environment - a field study on auditing companies and banks in the Gaza Strip. The researcher also referred to any sources believed to enrich the study scientifically. These secondary sources were relied upon to understand the appropriate scientific bases and methods for writing studies, as well as to gain a broad perception of the latest developments in the field of study.

The following tables delineate the characteristics of the research sample:

Table 1: Characteristics of the research sample

Scientific specialization	Repetition	Percentage
Accounting	75	75.0
Accounting Information Systems	5	5.0
Banking and Financial Sciences	5	5.0
Business Administration	15	15.0
Total	100	100.0
Qualification	Repetition	Percentage
Diploma	5	5.0
BA	85	85.0

Scientific specialization	Repetition	Percentage
M.A.	10	10.0
Ph.D.	0	0
Total	100	100.0
Job title	Repetition	Percentage
Head of the Internal Audit Department	15	15.0
Director of the Internal Audit Department	19	19.0
Internal Auditor	66	66.0
Total	100	100.0
Years of Experience	Repetition	Percentage
From 5-1 Years	52	52.0
From 6-10 Years	19	19.0
From 11-20 Years	15	15.0
21 year or more	14	14.0
Total	100	100.0
Professional certification	Repetition	Percentage
ACPA	19	19.0
PCPA	9	9.0
CPA	64	64.0
CIA	4	4.0
Other	4	4.0
Total	100	100.0
Evaluating the level of technology in the company	Repetition	Percentage
Advanced	55	55.0
Medium	45	45.0
Bad	0.0	0.0
Total	100	100.0

Table No. (1) reveals a concentration of 75% in the accounting specialization, 5% in Accounting Information Systems, and 5% in Banking & Financial Sciences, while Business Administration constitutes 15%. These results underscore the diverse academic backgrounds associated with the research topic, lending credibility to the results. With respect to educational qualifications, Diploma holders make up 5%, Bachelor's degree holders constitute 85%, Master's degree holders are 5%, and there are no PhD degree holders. The research sample's exclusive inclusion of university degree holders lends further credibility to the results. However, the absence of PhD holders suggests a need to motivate respondents to pursue higher education.

Professionally, the distribution is as follows: 15% are Heads of the Internal Audit Department, 19% are Directors of the Internal Audit Department, and 66% are Internal Auditors. This diversity of job titles, and consequently, the diversity of perspectives, lends further credence to the findings.

In terms of work experience, 52% have between 1 to 5 years, 19% have between 6 to 10 years, 15% have between 11 to 20 years, and 14% have 21 years and more. A majority of the research sample, thus, has more than 5 years of experience, demonstrating proficiency in executing accounting tasks, thereby boosting the validity of the research.

Professional certification distribution is as follows: 64.0% hold a "CPA", 19.0% hold an "ACPA", 9.0% hold a "PCPA", 4.0% hold "other certificates", and 40% hold a "CIA". These credentials imply a highly qualified research sample, thereby bolstering the credibility of the research results.

Finally, 55% of the research sample rated the company's technology level as "advanced", while 45% considered it as "medium". No respondents rated it as "bad". This reflects the research sample's keen awareness of technological advancements in the field.

Research Tool:

The research tool utilized for this study was a structured questionnaire. The questionnaire was divided into two primary sections:

1. **Personal and Professional Information:** This section contains six questions pertaining to the demographic and occupational data of the respondents.
2. **Assessment of IT Usage in Enhancing Financial Statement Data Quality:** This section includes queries concerning the impact of IT on improving the quality of financial statement data in the contemporary environment. It is divided into four themes or axes:
 - First Axis: Evaluation of financial information efficiency among information technology users (7 questions)
 - Second Axis: Assessment of internal control procedures over the usage of information technology in financial transactions (8 questions)
 - Third Axis: Determination of the reliability of financial statements produced using information technology (7 questions)
 - Fourth Axis: Evaluation of the quality of financial statement data in the modern setting (12 questions)

The responses for each question were gathered using the Likert Pentagon Scale, as delineated in Table (2).

Table 2: Likert Pentagon Scale

Approval Degree	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Degree	5	4	3	2	1

Validity and Reliability of the Questionnaire:

The validity of a questionnaire refers to the extent to which it measures what it intends to measure (Al-Assaf, 1995, p. 429). Additionally, validity entails ensuring that the questionnaire incorporates all the necessary components for the analysis and that the clarity of its items, and their vocabulary is understandable to the users (Obaidat & others, 2001, p. 179).

The researcher validated the research tool as follows:

Questionnaire Item Validity:

The validity of the questionnaire items was corroborated through several methods, including:

1. **Face Validity:** The initial draft of the research tool was presented to a group of subject matter experts. Based on their feedback and guidance, the researcher made revisions that were endorsed by the majority, including reformulating sentences and adding or removing items.
2. **Internal Consistency of Questionnaire Items:** The internal consistency of the questionnaire items was validated on a preliminary sample of 20 participants. This was done by calculating the correlation coefficients between each item and the overall score of its corresponding theme or axis. Table (3) presents the correlation coefficients between each item and the overall mean of the items within the same axis. The results demonstrate significant correlation coefficients at the 0.05 significance level. As the p-value for each item is less than 0.05 and the calculated “r” value is greater than the table “R” value (0.444), the questionnaire items are deemed valid and fit for the intended measure.

Table 3: The internal validity of the questionnaire paragraphs

The first axis			The second axis			The third axis			The fourth axis		
P. N O.	Correlation coefficient	Prob value	P. N O.	Correlation coefficient	Prob value	P. No	Correlation coefficient	Prob. value	P. N O.	Correlation coefficient	Probability value
1	.602*	.000	1	.410*	.000	1	.316*	.331	1	.1**	.001
2	.306*	.000	2	.250*	.034	2	.337*	.191	2	.032*	.000
3	.482*	.004	3	.476*	.224	3	.402*	.306	3	.133*	.117

The first axis			The second axis			The third axis			The fourth axis		
P. N O.	Correlation coefficient	Prob value	P. N O.	Correlation coefficient	Prob value	P. No	Correlation coefficient	Prob. value	P. N O.	Correlation coefficient	Probability value
4	.382* *	.000	4	.514* *	.008	4	.328* *	.237	4	.084* *	0.50
5	0.587 **	.000	5	.457* *	.075	5	.061* *	.308	5	0	.062
6	.726* *	.000	6	.729* *	.003	6	.157* *	.339	6	.108* *	.002
7	0.026 **	.000	7	.325* *	.001	7	.316* *	.071	7	.036* *	.002
			8	0.056 **	.002				8	.094* *	.013
									9	.12**	.084
									10	.045* *	.135
									11	.016* *	.036
									12	.198* *	.097
									Significance level of *0.05		
									Significance level of **0.01		
The tabular R value at the significance level of 0.05 and the degree of freedom "18" is 0.444											

Reliability of the Questionnaire Items:

The researcher employed the Cronbach's Alpha method to assess the reliability of the questionnaire as a secondary measure of stability. As shown in Table (4), the reliability coefficients are high, with an overall questionnaire reliability score of 0.891. Since this value is greater than the acceptable threshold of 0.70, it instills confidence in the researcher regarding the reliable use of the questionnaire.

Table 4: Reliability Coefficient (Cronbach's Alpha method)

The Axis	Axis Title	Paragraph No.	Cronbach's Alpha Coefficient
First	Measuring the efficiency of financial information technology users.	7	0.863

The Axis	Axis Title	Paragraph No.	Cronbach's Alpha Coefficient
Second	Measuring the level of internal control procedures over information technology used in financial operations.	8	0.840
Third	Measuring the reliability of financial statements using information technology.	7	0.730
Fourth	The quality of the financial statements data in the modern environment.	12	0.951
	All Axis	34	0.883

Analysis of Study Items and Hypotheses:

The "One Sample T-Test" was employed to analyze the questionnaire items. An item is considered positive, implying agreement from the sample members, if the calculated T value is greater than the tabular T value of 1.98 (or the probability value is less than 0.05 and the relative weight is more than 60%). Conversely, if these conditions are not met, the item is considered negative, suggesting disagreement from the sample members.

Analysis of Study Hypotheses:

First Hypothesis - There exists a significant correlation (at the 0.05 level) between the efficiency of IT users handling financial information and the enhancement of financial statement data quality in the contemporary business environment.

To test this hypothesis, the One Sample T-Test was employed. The results, displayed in Table (5), represent the opinions of the research sample members on the items in the first axis (a correlation exists between the efficiency of information technology users for financial information and the improvement in the quality of financial statements data in the modern environment at the significance level of 0.05). The most influential variable is "The company's management conducts awareness campaigns via the internet and e-mail to enhance the skill of its employees" with a relative weight of 290.12%. The least influential variable is the continuous cooperation between IT professionals and accountants when updating and developing the system, with a relative weight of 65.8%.

The one-sample T-Test value for all items in the axis is 0.005714, which is less than 0.05. This result leads to the rejection of the null hypothesis, which states there is no correlation between the efficiency of IT users for financial information and the enhancement in the quality of financial statements data in the modern environment at the significance level of 0.05. The alternate hypothesis, stating a correlation exists, is accepted.

The researcher concludes that the higher acceptance level of the study sample regarding the company's management conducting awareness campaigns via the internet and e-mail to enhance employee skills

leads to the sample members acknowledging the importance of such campaigns for enhancing the quality of financial statements data in the Palestinian environment.

Table 5: Analysis of the first axis paragraphs (Measuring the efficiency of IT users for financial information).

No.	Paragraphs	Arithmetic mean	Standard Deviation	Relative Weight	T Values
1.	The companies give continuous training courses to develop the skills of their accountants.	2.2877	0.97865	66.6	.000
2.	Companies are supervised by accountants by IT professionals while performing financial operations.	2.4247	0.99886	70.0	.001
3.	There is continuous and joint cooperation between IT professionals and accountants when updating and developing the system.	2.2055	0.86537	65.8	.000
4.	Companies have employees who have the scientific and practical ability and skill to deal with modern technology.	2.137	0.88687	74.3	.000
5.	Companies have programmers and experts who are able to develop software and computerized accounting systems.	2.3699	0.92055	109.1	.000
6.	Accountants have the ability and flexibility to accommodate modern technological developments.	2.0274	0.83288	71.9	.000
7.	The company's management carries out awareness campaigns via the internet and e-mail to enhance the skill of its employees.	2.3973	0.98234	290.12	.039
	All paragraphs	2.264214	0.923646	240.9571	0.005714

Second Hypothesis - There exists a significant correlation (at the 0.05 level) between internal control procedures on IT used in financial operations and the improvement of financial statement data quality in the modern business setting.

To test this hypothesis, a one-sample T-Test was employed. The results are displayed in Table (6), which showcases the opinions of the research sample members on the items in the second axis (there is a correlation between internal control procedures on information technology used in financial operations and the enhancement in the quality of financial statements data in the modern environment at the significance level of 0.05). The variable with the most influence is "The data is examined, and its accuracy and completeness are ensured before it is entered into the system", with a relative weight of 74.2%. The least influential variable is "There is control overpowers, and there are powers for users defined by the manager" with a relative weight of 53.6%.

The one-sample T-Test value for all items in this axis is 0.000, which is less than 0.05. Thus, the null hypothesis, which states there is no correlation between the internal control procedures on information technology used in financial operations and the enhancement in the quality of financial statements data in the modern environment at the significance level of 0.05, is rejected. The alternate hypothesis, stating a correlation exists, is accepted.

The researcher concludes that the higher acceptance level of the study sample regarding the item stating that data is examined, and its accuracy and completeness are ensured before it is entered into the system indicates the sample members' awareness of the importance of such practices in enhancing the quality of financial statements data in the contemporary environment.

Table 6: Analysis of the second axis paragraphs (Measuring the level of internal control procedures on information technology used in financial operations).

No.	Paragraphs	Arithmetic mean	standard deviation	Relative weight	T Values
1.	The data is checked for accuracy and completeness before entering the system.	1.8767	0.64432	74.2	.000
2.	The system stores the entered data first-hand before entering it to the system on external cylinders and tapes.	1.9861	0.68161	65.2	.000
3.	The system verifies the identity of the party using the IT systems in the financial operations by giving him a personal number to enter.	2.0411	0.80689	63.9	.000
4.	Data is stored in a regular manner so that it can be easily retrieved at any time.	1.863	0.80476	71.1	.000
5.	There is a power control and there are user permissions defined by the administrator.	1.9589	0.65486	53.6	.000
6.	Errors are detected early using computer control in financial operations.	2	0.70711	67.4	.000
7.	There is a facility for the facility to monitor the IT user in financial operations.	2.054795	0.72438501	68.4	.000
8.	There is complementarity and interdependence between the control system with all the different departments and departments of the company.	2.0274	0.74485	66.1	.000
	All paragraphs	1.975999	0.721098	66.2375	0

Third Hypothesis - There exists a significant correlation (at the 0.05 level) between the credibility of financial statements produced using IT and the enhancement of financial statement data quality in the modern environment.

To verify this hypothesis, a one-sample "T" test was deployed. The results are detailed in Table (7), representing the responses from research sample members concerning the third axis elements (Measuring the reliability of financial statements using information technology at the 0.05 significance level).

The most impactful variable is "Technology facilitates consistent disclosure of all data and information related to the company's activities," exhibiting a relative weight of 82.3%. The least impactful element is "The utilization of information technology tools capable of providing high-quality, reliable accounting information for diverse decisions," with a relative weight of 65.1%.

The "T" test value for all elements is 0.000571, which is less than 0.05, thereby rejecting the null hypothesis which suggests that there is no correlation between the reliability of financial statements produced using information technology and the improvement of financial statement data quality in the modern environment at the 0.05 significance level.

The researcher deduces that an increasing level of acceptance among the study sample, that technology assists in consistently disclosing all data and information related to company activities, might indicate an awareness among sample members of the significance of such constant disclosure. This, in turn, could enhance the quality of financial statement data in the contemporary environment.

Table 7: Analysis of the third axis paragraphs (Measuring the reliability of financial statements using information technology)

No.	Paragraphs	Arithmetic mean	Standard Deviation	Relative Weight	T Value
1.	The reliability of the financial statements is confirmed before publication.	1.726	0.75019	71	.000
2.	The publication of the financial statements is supervised by an external auditor.	1.7397	0.74587	78.1	.000
3.	The commitment to use information technology results in the financial statements being free from material misstatement.	1.7534	0.66208	66.0	.000
4.	Technology helps to constantly disclose all data and information related to the company's activity.	1.6986	0.72043	82.3	.004

No.	Paragraphs	Arithmetic mean	Standard Deviation	Relative Weight	T Value
5.	The commitment to use information technology leads to consistency in the application of accounting principles and policies for the company's financial operations.	1.9167	0.88413	71.8	.000
6.	The technology facilitates the display language, which helps in the process of being understood by all users.	1.7534	0.81276	72.1	.000
7.	The use of information technology tool capable to provide the highest accounting information with high quality and reliable information for different decisions.	1.726	0.83766	65.1	.000
	All paragraphs	2.264214	0.923646	240.9571	0.005714

Results and Recommendations

First: Results:

1. A significant correlation exists between the efficiency of IT users in processing financial information and the improvement in the quality of financial statement data in a contemporary environment (at a significance level of 0.05).
2. A significant correlation is evident between internal control procedures on IT used in financial operations and the enhancement in the quality of financial statement data in a contemporary environment (at a significance level of 0.05).
3. A significant correlation exists between the reliability of financial statements produced using IT and the improvement in the quality of financial statement data in a contemporary environment (at a significance level of 0.05).
4. The management of companies has implemented awareness campaigns via the internet and email to enhance the skills of their employees.
5. There is a practice of ensuring data is accurate and complete before its entry into the system.
6. Technology facilitates the consistent disclosure of all data and information pertaining to the company's activities.

Second: Recommendations:

1. Promote the use of IT tools capable of delivering a greater volume of high-quality accounting information that can be relied upon for various decision-making processes.
2. Commitment to using IT should be focused on, as it contributes to eliminating material misstatements in financial statements.
3. Encourage the use of IT for ensuring consistency in the application of accounting principles and policies across the company's financial operations.
4. Advocate for integration and interconnectivity between the regulatory system and all diverse departments and divisions within the company.
5. The system should validate the identity of the individual using IT systems in financial operations, possibly through the allocation of a unique access number.
6. Companies should regularly conduct training courses to enhance the skills of their accounting personnel.

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