



IMPACT OF ACCOUNTING INFORMATION SYSTEM ON THE FINANCIAL PERFORMANCE OF SELECTED COMPANIES

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Abstract

Accounting information system is a system which provides timely, valid, and understandable information for decision making. It is a set of records, procedures, and equipment that routinely deals with the events affecting the financial performance of an organization. It is a blend of principles, practices and theories of the accounting, information, and system. It is an entity which provides the vital information for planning, organizing, directing, leading and control on the activities of the organization. Accounting information system is a pre-requisite for every organization either small or big, a public or a private sector undertaking, a manufacturing or a service organization. The effectiveness of an organization depends upon how well the accounting information system performs its functions. Taking this into cognizance, the present research has been conducted to examine the impact of accounting information system on the financial performance of selected companies in Iraq. Data was collected through questionnaires from 341 employees. Multiple regression was applied for data analysis. The findings highlighted that there is a significant impact of accounting information system on the financial performance in the companies under study.

Keywords: accounting information, system, financial, performance, companies, regression.

INTRODUCTION

Information is simply symbols like data, text, images, voices, etc. that convey meaning through their relative ordering, timing, shape, context, etc. It is required by the management in

order to plan and control the business operations effectively and efficiently. Information can be defined as data that has been processed into a meaningful form to the recipients and is of real value in the current or the prospective actions or decision of the recipients. Besides, an information system is a set of interrelated elements that work together, to collect, retrieve, store, and process information to support decision making, coordination, analysis, observation, and control of the organization. Information systems use information technology to provide valid information to the management at the right time. It is a set of elements and components associated with each other in order to perform the functions and activities for achieving the desired results (Laudon&Laudon, 2007).

Information system performs three major functions like support of business operations, support of managerial decision making, and support of strategic competitive advantage. The information system must be coherent with other systems that make up the company's infrastructure, all of which must work in a coordinated manner with each other. There are different types of information systems like Transaction Processing Systems, Decision Support Systems (DSS), Enterprise Resource Planning Systems, Sales and Marketing Systems, Knowledge Work Systems, Office Automation Systems, Management Information Systems and Accounting Information System.

Accounting information system (AIS) is a formal system for identifying, measuring, accumulating, analyzing, preparing, interpreting and communicating accounting information about a particular entity to a particular group. It helps in organizing, recording, summarizing and reporting financial transactions of an organization. It is designed to record accounting

transaction and events of a business and account for them in a way that complies with its policies and procedures (Woldehawariat, 2013). Besides, it is a system that provides people with either data or information relating to an organization's operation to support the activities of employees, owners, customers, and other key people in the organization's environment by effectively supplying information to authorized people in a timely manner. It is a financial information system which includes accounting terms, records instruction manuals flow charts programs, and reports to fit the particular needs of the business. Its main function is to acquire, process, and communicate data that is essential to the operation of the organization. It is a network established in an organization to provide managers with information that will assist them in decision making.

Accounting information system emphasizes profit planning, performance planning and control at all levels. It contemplates the ultimate integration of required business information subsystems both financial and non-financial within the company. Nevertheless, it is a system that provides people with either data or information relating to an organization's operation to support the activities of employees, owners, customers, and other key people in the organization's environment by effectively supplying information to authorized people in a timely manner. It plays an important role in the success of an organisation. The sustainability of an organization in the long run depends upon how well the information system performs its functions. The successful accounting information system would lead to the success of the organization in achieving its objectives but the unsuccessful information system could lead to the failure of the organization (Darmansyah and Fitrijanti, 2016).

LITERATURE REVIEW

Al-Shaefee (2007) found that most of the petroleum companies in Yemen haven't applied modern Accounting Information system (AIS) because the training courses provided to employees in the petroleum companies weren't sufficient to run and treat with modern accounting information system. Therefore, continuous training should be provided to the employees to make them familiar with advanced AIS. **Sambasivam & Assefa (2013)** revealed that AIS design and implementation

enhances the quality of financial reports and financial transaction processes which brings efficiency in internal control systems. **Samuel (2013)** highlighted several challenges faced by automobile organizations before implementation of AIS like lack of proper training, high staff turnover, and lack of proper system documentation. **Ahmad & Alrjoub (2014)** investigated the impact of AIS on the performance of commercial banks and found that AIS has a significant impact on administrative decisions taken by managers in selected banks. Besides, the author found that there is need for continuous improvement in AIS because of its positive role in the decision-making and investment. **Neogy (2014)** evaluated that the use of computerized AIS gives opportunities for the companies in recording and processing various accounting transactions and preparing the financial statements like income statement, balance sheet, owner's equity statement, funds flow statement, and cash flow statement. Furthermore, the author revealed that existence of internal control system through safeguarding of assets, reliability and accuracy of accounting information, prevention of frauds increases the efficiency of AIS in a company. **Khan (2017)** examined the impact of accounting information system on the organizational performance of Procter and Gamble (P&G) Ltd. by collecting data through questionnaires designed on five point likert scale. The sample size of the study was 174 employees. Simple linear regression was used as the statistical tool for analysis. The results show that there is a significant impact of accounting information system on the organizational performance in (P&G) Ltd. **Al-Dalaie and Khan (2018)** in the research paper entitled, "Effect Of Accounting Information System On Financial Performance: A Study Of Selected Real Estate Companies in Jordan" examined the impact of accounting information system on the financial performance of selected real estate companies in Jordan with help of well designed questionnaires. Noor Capital, Jordan International Investment Company, Ihdathiat Coordinates, Real Estate Development, and Afaq Holding were the real estate companies selected in the study. The sample size of the study was 174 with the application of quota sampling. The findings after applying linear regression highlighted that there is a significant impact of accounting

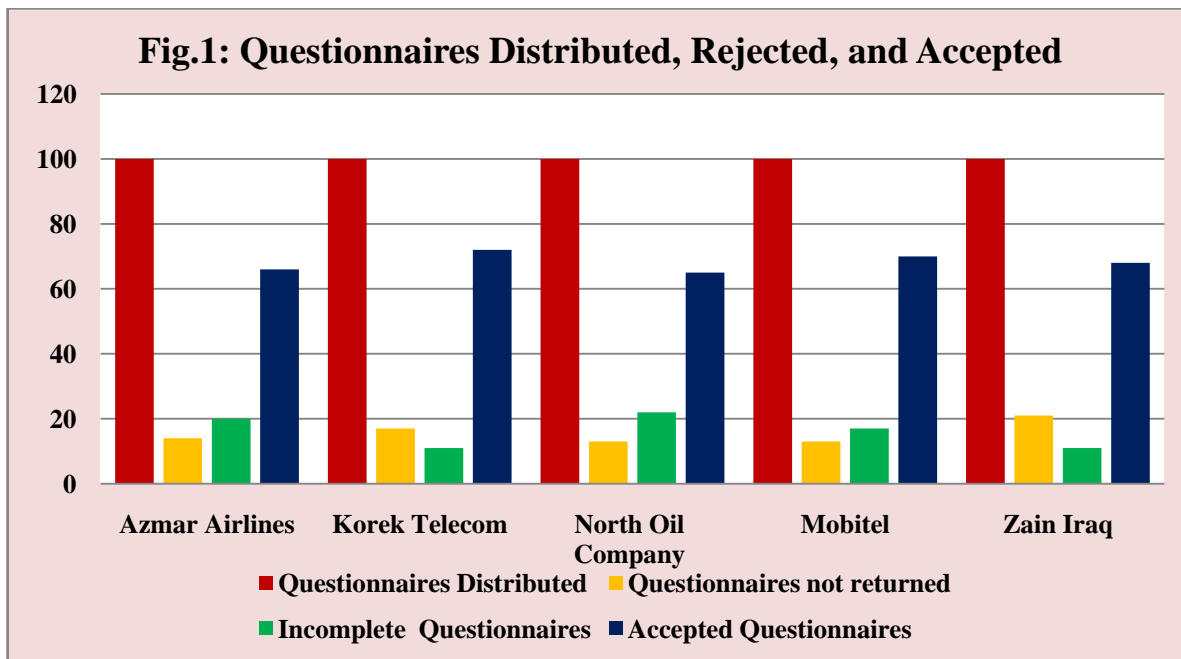
information system on the financial performance in the company under study. **Beg (2018)** examined the role of accounting information system on the financial performance of ten FMCG companies with the help of a self administered questionnaire. The

researcher applied judgmental sampling and the sample size was 283. The results revealed that there is a significant impact of accounting information system on the financial performance in the companies under study.

Table 1: Questionnaires Distributed, Rejected, and Accepted

No	Selected Companies	Questionnaires			
		Distributed	NR	Incomplete	Accepted
1	Azmar Airlines	100	14	20	66
2	Korek Telecom	100	17	11	72
3	North Oil Company	100	13	22	65
4	Mobitel	100	13	17	70
5	Zain Iraq	100	21	11	68
Total		500	78	81	341
<i>Sample Size: 341</i>					

NR: Not Returned by the employees
 Source: Primary Data



OBJECTIVES OF THE STUDY

The prime objective of the study is to find out the impact of AIS on the financial performance of selected companies in Iraq. Following are the objectives of the study:

1. To examine the impact of accounting information system (AIS) on the financial performance of Azmar Airlines.
2. To investigate the impact of AIS on the financial performance of Korek Telecom.

3. To analyze the impact of AIS on the financial performance of North Oil Company.
4. To evaluate the impact of AIS on the financial performance of Mobitel.
5. To find out the impact of AIS on the financial performance of Zain Iraq.

HYPOTHESES OF THE STUDY

H₀₁: There is no significant impact of AIS on the financial performance of Azmar Airlines.
 H_{a1}: There is a significant impact of AIS on the financial performance of Azmar Airlines.

H₀₂: There is no significant impact of AIS on the financial performance of Korek Telecom.

H_{a2}: There is a significant impact of AIS on the financial performance of Korek Telecom.

H₀₃: There is no significant impact of AIS on the financial performance of North Oil Company.

H_{a3}: There is a significant impact of AIS on the financial performance of North Oil Company.

H₀₄: There is no significant impact of AIS on the financial performance of Mobitel.

H_{a4}: There is a significant impact of AIS on the financial performance of Mobitel.

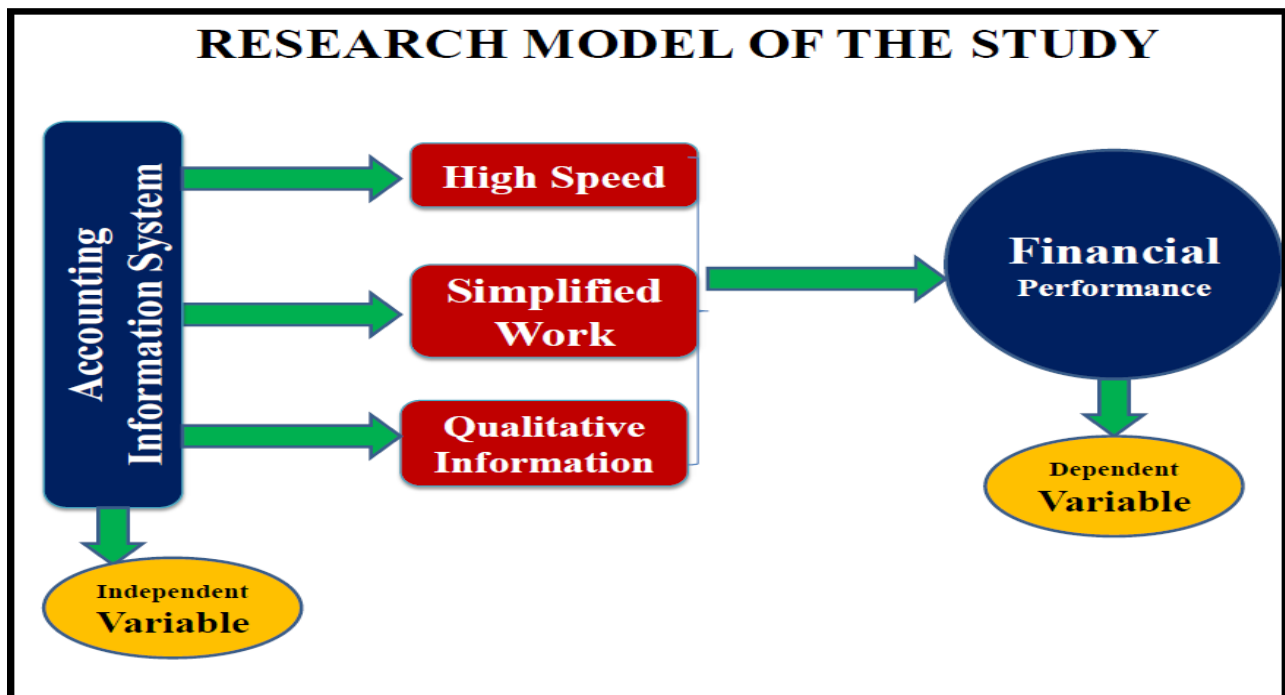
H₀₅: There is no significant impact of AIS on the financial performance of Zain Iraq.

H_{a5}: There is a significant impact of AIS on the financial performance of Zain Iraq.

RESEARCH METHODOLOGY

Simple random sampling was applied to collect data from the employees working in five selected companies. A well designed questionnaire (Appendix) was used for collecting data from employees working in the Azmar Airlines, Korek Telecom, North Oil

Company, Mobitel, and Zain Iraq. Both the variables were rated on five-point Likert scales in a structured format with the verbal statements 'strongly disagree' and 'strongly agree' anchor to the numerals 1 and 5 with response options ranging from strongly agree to strongly disagree. The questionnaire was pre-tested two times. A total of 500 questionnaires were distributed among employees. 78 questionnaires were not returned and 81 were incomplete and hence rejected. Finally, 341 were accepted for analysis. The sample size of the study is 341. The study has two variables i.e. accounting information system (AIS) and financial performance. Figure 1 highlights the research model of the study. Financial performance is taken as dependent variable whereas AIS was used as independent variable. High speed, simplified work, and qualitative information were the proxy variables of AIS. The data collection period was more than six months from October, 2017 to March, 2018. Besides, multiple linear regression was used to analyze the results through Statistical Package for the Social Science (SPSS) 20 version.



RELIABILITY ANALYSIS

The most widely used measure of reliability is cronbach alpha. There are different acceptable values of alpha, ranging from 0.60 to 0.95. If the value of α is greater than or equal to 0.6 but less than 0.7 is considered acceptable. Besides, the value of α greater than or equal to 0.7 but less than 0.9 is considered good and the value of

α greater than or equal to 0.9 is considered excellent (Cohen, 2010). Table 2 highlights the reliability of all statements under study. The value of cronbach alpha of all variables is ranging from 0.8 to 0.9 and the overall reliability is 0.874. Hence, the data is reliable for further analysis.

Table 2: Reliability Analysis of all statements

No.	Statements	Cronbach Alpha
1	Accounting information system reduced the time spent on transactions.	0.831
2	It made integration among branches faster.	0.866
3	It performs work very fast.	0.935
4	It helps the management to take rational decisions at right time.	0.944
5	Accounting information system brings simplification in work.	0.907
6	It stores and retrieves information easily.	0.927
7	It coordinates various business activities.	0.798
8	It eliminates the repetition of paper transactions.	0.768
9	It brings high efficiency in storage and classification of data.	0.845
10	It provides accurate and valid information.	0.822
11	It makes the information more understandable.	0.947
12	It provides right information at right time.	0.901
13	It provides cost effective information.	0.945
14	Accounting information system minimizes the cost of recording of data.	0.857
15	It contributes in return on capital employed (ROCE).	0.841
16	It helps in reducing the costs of production.	0.738
17	It contributes in inventory management.	0.746
18	It brings high Return on assets (ROA).	0.748
19	It contributes in better supply chain management.	0.876
20	It brings high Return on equity (ROE).	0.884
Overall Reliability: 0.874		

Source: Output of SPSS_20

HYPOTHESES TESTING

H₀₁: There is no significant impact of accounting information system on the financial performance of Azmar Airlines.

H_{a1}: There is a significant impact of accounting information system on the financial performance of Azmar Airlines.

The impact of accounting information system (AIS) on the financial performance of Azmar

Airlines was measured by applying linear regression. The independent variable is AIS and the dependent variable is financial performance. The null hypothesis is that there is no significant impact of AIS on the financial performance and the alternative hypothesis states that there is a significant impact of AIS on the financial performance of Azmar Airlines

Table 3: Regression Analysis-Azmar Airlines

Model	R	R Square	Adjusted R Square	Standard Error	ANOVA (Model Fitness)
1	0.799	0.638	0.624	1.3308	F=79.98*

*Significant at 5% level of significance

Source: Output of SPSS_20

Table 3 shows the values of correlation, R square, and standard error. Adjusted R square shows the amount of variation in financial performance (dependent variable) that is accounted by accounting information system (independent variable). The value of adjusted R square is 0.624 which means 62.4 percent variation in financial performance of Azmar airlines is explained by AIS and the rest of the

variation ($1-R^2$) is an unexplained variation in financial performance due to other variables that has not been used in this model. Besides, ANOVA has been applied to examine the model validity. The value of F=79.98 which is significant at 5% level of significance. It means all the variables exactly fulfilled the criteria of model accuracy.

Table 4: Regression Coefficients-Azmar Airlines

Model-1	Regression Coefficients	Standard Error	T Value	P Value
(Constant)	1.937	0.9071	4.741	0.257
High Speed	0.611	0.2443	15.505	0.000
Work Simplification	0.554	0.3454	-2.227	0.001
Qualitative Information	0.417	0.2798	1.509	0.009

Dependent Variable: Financial Performance

Source: Output of SPSS_20

Table 4 shows the values of regression coefficients, standard error and t values and significant values. Firstly, the regression coefficient on the variable high speed is 0.611 which means that one unit change in high speed brings 0.611 units change in financial performance. Secondly, the regression coefficient on work simplification is 0.554. Thirdly, the regression coefficient on qualitative information is 0.417. Furthermore, all regression coefficients are statistically significant at 95 percent confidence interval (P<0.05). Therefore, the null hypothesis is rejected and it can be said that there is a significant impact of AIS on the financial performance of Azmar Airlines.

The Regression equation of this model is: $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$

$$Y = \alpha (\text{Intercept}) + \beta_1 (\text{High Speed}) + \beta_2 (\text{Work Simplification}) + \beta_3 (\text{Qualitative Information}) + e$$

Where, Y=Dependent Variable

α = constant of the regression equation

$\beta_1, \beta_2, \beta_3$ = regression Coefficients

X_1, X_2, X_3 = independent variables

e = error term

$$\text{Financial Performance} = 1.937 + 0.611(\text{High Speed}) + 0.554(\text{Work Simplification}) + 0.417(\text{Qualitative Information}) + e$$

H₀₂: There is no significant impact of accounting information system on the financial performance of Korek Telecom.

H_{a2}: There is a significant impact of accounting information system on the financial performance of Korek Telecom.

Multiple linear regression was used as the statistical tool to examine the impact of accounting information system (AIS) on the financial performance of Korek Telecom. The independent variable is AIS and the dependent variable is financial performance. The null hypothesis is that there is no significant impact of AIS on the financial performance and the alternative hypothesis states that there is a significant impact of AIS on the financial performance of Korek Telecom

Table 5: Regression Analysis-Korek Telecom

Model	R	R Square	Adjusted R Square	Standard Error	ANOVA (Model Fitness)
2	0.857	0.734	0.722	1.2754	F=104.55*

*Significant at 5% level of significance

Source: Output of SPSS_20

Table 5 shows the values of correlation, R square, and standard error. Adjusted R square shows the amount of variation in financial performance (dependent variable) that is accounted by accounting information system (independent variable). The value of adjusted R square is 0.722 which means 72.2 percent variation in Korek's financial performance is

explained by AIS and rest of the variation (1-R²) is an unexplained variation in financial performance due to other variables that has not been used in this model. Besides, ANOVA was applied to examine the model validity. The value of F=104.55 which is significant at 5% level of significance. It means all the variables exactly fulfilled the criteria of model accuracy.

Table 6: Regression Coefficients-Korek Telecom

Model-2	Regression Coefficients	Standard Error	T Value	P Value
(Constant)	1.044	0.1745	2.557	0.612
High Speed	0.675	0.3443	-1.118	0.000
Work Simplification	0.509	0.1454	6.547	0.000
Qualitative Information	0.514	0.2798	13.007	0.009
Dependent Variable: Financial Performance				

Source: Output of SPSS_20

Table 6 shows the values of regression coefficients, standard error and t values and significant values. Firstly, the regression coefficient on the variable high speed is 0.675 which means that one unit change in high speed brings 0.675 units change in financial performance. Secondly, the regression coefficient on work simplification is 0.509. Thirdly, the regression coefficient on qualitative information is 0.514. Furthermore, all regression coefficients are statistically significant at 95 percent confidence interval ($P < 0.05$). Therefore, the null hypothesis is rejected and it can be said that there is a significant impact of AIS on the financial performance of Korek Telecom.

The Regression equation of this model is:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

$$Y = \alpha (\text{Intercept}) + \beta_1 (\text{High Speed}) + \beta_2 (\text{Work Simplification}) + \beta_3 (\text{Qualitative Information}) + e$$

Where, Y = Dependent Variable

α = constant of the regression equation

$\beta_1, \beta_2, \beta_3$ = regression Coefficients

X_1, X_2, X_3 = independent variables

e = error term

$$\text{Financial Performance} = 1.044 + 0.675(\text{High Speed}) + 0.509(\text{Work Simplification}) + 0.514(\text{Qualitative Information}) + e$$

H₀₃: There is no significant impact of accounting information system on the financial performance of North Oil Company.

H_{a3}: There is a significant impact of accounting information system on the financial performance of North Oil Company.

The impact of accounting information system (AIS) on the financial performance of North Oil Company was measured by applying linear regression. The independent variable is AIS and the dependent variable is financial performance. The null hypothesis is that there is no significant impact of AIS on the financial performance and the alternative hypothesis states that there is a significant impact of AIS on the financial performance of North Oil Company.

Table 7: Regression Analysis-North Oil Company

Model	R	R Square	Adjusted R Square	Standard Error	ANOVA (Model Fitness)
3					F=127.44*

*Significant at 5% level of significance

Source: Output of SPSS_20

Table 7 shows the values of correlation, R square, and standard error. Adjusted R square shows the amount of variation in financial performance (dependent variable) that is accounted by accounting information system (independent variable). The value of adjusted R square is 0.624 which means 62.4 percent variation in financial performance of North Oil Company is explained by AIS and the rest of

the variation ($1 - R^2$) is an unexplained variation in financial performance due to other variables that has not been used in this model. Besides, ANOVA has been applied to examine the model validity. The value of F=127.44 which is significant at 5% level of significance. It means all the variables exactly fulfilled the criteria of model accuracy.

Table 8: Regression Coefficients-North Oil Company

Model-3	Regression Coefficients	Standard Error	T Value	P Value
(Constant)	1.154	0.8764	-5.057	0.641
High Speed	0.559	0.3508	1.774	0.000
Work Simplification	0.399	0.2277	19.904	0.000
Qualitative Information	0.623	0.3055	3.056	0.000

Dependent Variable: Financial Performance

Source: Output of SPSS_20

Table 8 shows the values of regression coefficients, standard error and t values and significant values. Firstly, the regression coefficient on the variable high speed is 0.559 which means that one unit change in high speed brings 0.559 units change in financial performance. Secondly, the regression coefficient on work simplification is 0.399. Thirdly, the regression coefficient on qualitative information is 0.623. Furthermore, all regression coefficients are statistically significant at 95 percent confidence interval ($P < 0.05$). Therefore, the null hypothesis is rejected and it can be said that there is a significant impact of AIS on the financial performance of North Oil Company.

The Regression equation of this model is:
 $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$

$Y = \alpha$ (Intercept) + β_1 (High Speed) + β_2 (Work Simplification) + β_3 (Qualitative Information) + e

Where, Y=Dependent Variable

α = constant of the regression equation

$\beta_1, \beta_2, \beta_3$ = regression Coefficients

X_1, X_2, X_3 = independent variables

e = error term

Financial Performance = 1.154 + 0.559(High Speed) + 0.399(Work Simplification) + 0.623(Qualitative Information) + e

H₀₄: There is no significant impact of accounting information system on the financial performance of Mobitel.

H_{a4}: There is a significant impact of accounting information system on the financial performance of Mobitel.

The impact of accounting information system (AIS) on the financial performance of Mobitel was measured by applying linear regression. The independent variable is AIS and the dependent variable is financial performance. The null hypothesis is that there is no significant impact of AIS on the financial performance and the alternative hypothesis states that there is a significant impact of AIS on the financial performance of Mobitel.

Table 9: Regression Analysis-Mobitel

Model	R	R Square	Adjusted R Square	Standard Error	ANOVA (Model Fitness)
4					F=169.95*

*Significant at 5% level of significance

Source: Output of SPSS_20

Table 9 shows the values of correlation, R square, and standard error. Adjusted R square shows the amount of variation in financial performance (dependent variable) that is accounted by accounting information system (independent variable). The value of adjusted R square is 0.624 which means 62.4 percent variation in financial performance of Mobitel is

explained by AIS and the rest of the variation ($1 - R^2$) is an unexplained variation in financial performance due to other variables that has not been used in this model. Besides, ANOVA has been applied to examine the model validity. The value of F=169.95 which is significant at 5% level of significance. It means all the variables exactly fulfilled the criteria of model accuracy.

Table 10: Regression Coefficients-Mobitel

Model-4	Regression Coefficients	Standard Error	T Value	P Value
(Constant)	1.245	0.7992	2.541	0.547
High Speed	0.467	0.4007	14.408	0.025
Work Simplification	0.701	0.3854	-1.556	0.005
Qualitative Information	0.523	0.3957	4.507	0.004

Dependent Variable: Financial Performance

Source: Output of SPSS_20

Table 10 shows the values of regression coefficients, standard error and t values and significant values. Firstly, the regression coefficient on the variable high speed is 0.559 which means that one unit change in high speed brings 0.559 units change in financial performance. Secondly, the regression coefficient on work simplification is 0.399. Thirdly, the regression coefficient on qualitative information is 0.623. Furthermore, all regression coefficients are statistically significant at 95 percent confidence interval ($P < 0.05$). Therefore, the null hypothesis is rejected and it can be said that there is a significant impact of AIS on the financial performance of Mobitel.

The Regression equation of this model is:
 $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$

$$Y = \alpha (\text{Intercept}) + \beta_1 (\text{High Speed}) + \beta_2 (\text{Work Simplification}) + \beta_3 (\text{Qualitative Information}) + e$$

Where, Y=Dependent Variable

α = constant of the regression equation

$\beta_1, \beta_2, \beta_3$ = regression Coefficients
 X_1, X_2, X_3 = independent variables
 e = error term

$$\text{Financial Performance} = 1.245 + 0.467(\text{High Speed}) + 0.701(\text{Work Simplification}) + 0.523(\text{Qualitative Information}) + e$$

H₀₅: There is no significant impact of accounting information system on the financial performance of Zain Iraq.

H_{a5}: There is a significant impact of accounting information system on the financial performance of Zain Iraq.

Multiple linear regression was applied to investigate the impact of accounting information system (AIS) on the financial performance. The independent variable is AIS and the dependent variable is financial performance. The null hypothesis is that there is no significant impact of AIS on the financial performance and the alternative hypothesis states that there is a significant impact of AIS on the financial performance of Zain Iraq.

Table 11: Regression Analysis-Zain Iraq

Model	R	R Square	Adjusted R Square	Standard Error	ANOVA (Model Fitness)
5	0.288	0.082	0.079	1.9541	F=227.84*

* NotSignificant at 5% level of significance

Source: Output of SPSS_20

Table 11 shows the values of correlation, R square, and standard error. Adjusted R square shows the amount of variation in financial performance (dependent variable) that is accounted by accounting information system (independent variable). The value of adjusted R square is 0.079 which means 7.9 percent variation in financial performance of Zain Iraq is explained by AIS and the rest of the variation

($1 - R^2$) is an unexplained variation in financial performance due to other variables that has not been used in this model. Besides, ANOVA was applied to examine the model validity. The value of F=227.84 which is insignificant at 5% level of significance. It means all the variables exactly do not fulfill the criteria of model accuracy.

Table 12: Regression Coefficients-Zain Iraq

Model-4	Regression Coefficients	Standard Error	T Value	P Value
(Constant)	1.773	1.2117	-1.558	0.984
High Speed	0.117	0.7485	24.447	0.552
Work Simplification	0.079	0.5074	6.668	0.485
Qualitative Information	0.049	0.6355	-2.984	0.632

Dependent Variable: Financial Performance

Source: Output of SPSS_20

Table 12 shows the values of regression coefficients, standard error and t values and significant values. Firstly, the regression coefficient on the variable high speed is 0.117 which means that one unit change in high speed brings 0.117 units change in financial performance. Secondly, the regression coefficient on work simplification is 0.079. Thirdly, the regression coefficient on qualitative information is 0.049. Furthermore, all regression coefficients are statistically insignificant at 95 percent confidence interval ($P > 0.05$). Therefore, the null hypothesis is accepted and it can be said that there is no

significant impact of AIS on the financial performance of Zain Iraq.

The Regression equation of this model is:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

$$Y = \alpha (\text{Intercept}) + \beta_1 (\text{High Speed}) + \beta_2 (\text{Work Simplification}) + \beta_3 (\text{Qualitative Information}) + e$$

Where, Y = Dependent Variable

α = constant of the regression equation

$\beta_1, \beta_2, \beta_3$ = regression Coefficients

X_1, X_2, X_3 = independent variables

e = error term

$$\text{Financial Performance} = 1.773 + 0.117(\text{High Speed}) + 0.079(\text{Work Simplification}) + 0.049(\text{Qualitative Information}) + e$$

Table 13: Summary of Hypotheses Tested

No.	Hypotheses	Results
Ho₁	There is no significant impact of accounting information system on the financial performance of Azmar Airlines.	Rejected
Ho₂	There is no significant impact of accounting information system on the financial performance of Korek Telecom.	Rejected
Ho₃	There is no significant impact of accounting information system on the financial performance of North Oil Company.	Rejected
Ho₄	There is no significant impact of accounting information system on the financial performance of Mobitel.	Rejected
Ho₅	There is no significant impact of accounting information system on the financial performance of Zain Iraq.	Accepted

Source: Based on Hypothesis Tested

CONCLUDING REMARKS

The present study investigated the impact of accounting information system on the financial performance of selected companies of Iraq. The population of this study consists of all employees working in Azmar Airlines, Korek Telecom, North Oil Company, Mobitel, and Zain Iraq. Simple random sampling was applied with the help of well designed questionnaire to collect data from the employees working in selected companies. A total of 500 questionnaires were distributed wherein 159

were rejected and 341 were accepted for analysis. So, the sample size of the study is 341. The data collection period was more than six months from October, 2017 to March, 2018. The study has two variables i.e. accounting information system (AIS) and financial performance. Financial performance is taken as dependent variable whereas AIS was used as independent variable. High speed, simplified work, and qualitative information were the proxy variables of AIS. Besides, multiple linear regression was used to analyze the results

through Statistical Package for the Social Science (SPSS) 20 version. Before hypotheses testing, reliability was examined with the application of cronbach alpha. The value of cronbach alpha of all variables was ranging from 0.8 to 0.9 with the overall reliability of 0.874. Hence, the data is reliable for further analysis.

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