
A PAPER SURVEY ON THE IMPACT OF (IT) ON THE QUALITY OF FINANCIAL DATA (CASE STUDY OF MUNICIPALITIES AND TOURISM MINISTRY IN KURDISTAN REGION – IRAQ)

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ABSTRACT

Information technology is a major resource to supply suitable information to help enhance it on the process of rational and managerial decision-making. Information Technologies also contribute to the administration ability to do its functions (for example, planning, control and decision-making), and monitoring the governmental revenue, control the public funds to ensure the safety of its spending and make sure that the decision and administrative procedures subject to the supervision of the office of financial supervision are done according to the operative legalization, then keeping the public funds and manage it well. By doing that, the reports will be presented with full results supreme and legislative authorities in the government, in order to have a strong and fit monitoring and follow-up system. To achieve the aim of this work, the questionnaire has been distributed to the Municipal offices that have a financial activity and have a clear picture about the governmental accounting information system. To achieve the aim of this work, the questionnaire has been distributed to the municipal offices that have a financial activity and have a clear picture about the governmental accounting information system. This study reaches that E-accounting information system in the ministry of municipalities and tourism has basic ingredients that contribute to achieving the medium aims of the system. Where the municipal offices have electronic devices and accounting programs but these systems are different from an office to the other because of their activities and the experiences for the employees.

1. INTRODUCTION

There are a lot of governmental organizations in Kurdistan Region that are active in computer technologies and make use of them in their systems. By doing this, organizations use this valuable data for information technology because of its

efficiency and productivity. At present, information technology is among most indispensable services in the daily life and enhancing general issues, disclosure, transparency and work efficiently to help improve the use of public resources of the government and protecting the public funds from wastage through a comprehensive and independent oversight to help future planning. Information technology tools lead to reduce cost, time and effort, and enhance the efficiency of the work, and other issues that positively reflected on the general performance of the government.

Because of the importance of this topic, this paper had been prepared to know the accounting information system and its impact on the accounting system performance in Kurdistan Region to do the role of accounting system in an efficiency way in the financial and administrative control, so the governmental units can execute their role and auditing on the institutions activities according to the allocations that specified in the budget to reduce the financial corruption. Studying the electronic accounting information system considered as an important subjects in various of business sectors, and especially in governmental sectors, so that the world will direct to use and implement the electronic system in different economic sectors, the thing that makes the governmental sector to improve their accounting systems and use the information technology and trends towards the e-government, to take the advantages of the benefits for the electronic systems which are the speed, accuracy, and provide the suitable information to manage the governmental financial administrative. Where the electronic systems contribute to providing the time to finish an extra processing and achieve the accuracy in completion of the transactions. Information technology provides the suitable information to prepare the public budget to execute it and control the execution. In addition, IT contribute in to manage the general policies for the government. To achieve the general benefits from the electronic systems the basic components should be provided, these components contribute to achieving the benefits from the e-accounting information system. By this information, this paper will study and evaluate the governmental accounting system in Ministry of Municipalities and Tourism in Kurdistan Region, this ministry especially controls the revenue, and generally control the general expenses by using a database built by different software applications (such as Ingres, Oracle, PHP, SQL e.tc.).

2. Problem Statement:

This work is trying to answer the following:

- I. Does the Electronic Accounting Information Systems in Kurdistan Region/ministry of Municipalities and Tourism have the basic components that contribute to achieving its objectives?
- II. How does the Electronic Accounting Information Systems in Kurdistan Region/ministry of Municipalities and Tourism meet the financial management needs?

3. E-Accounting Information System:

This system is for integrating the information for municipal offices, and also it is a software and administrative system that uses the power of the computer to support and gather all the activity of municipal offices and control the financial administration using the database.

Table 1 below will show the features and the benefits of E-Accounting Information System

Table 1 the benefits of E-Accounting IS

Feature	Benefit
Reliability of accessing the information	Including DBMS to coordinate and accuracy the information, and enhance the reports.
Avoid the extra process	Bring the data to the data center avoiding the data entry repeating.
Reduce time and costs	Save time by the way that the reports for the organization could be enhanced.

4. The aim of the study:

This study aims at:

- I. Recognizing the reality of Electronic Accounting Information Systems in Ministry of Municipalities and Tourism according to the availability of the basic components for electronic information systems.
- II. Extending the ability of Electronic Accounting Information Systems to meet the financial management needs to get the information about preparation of the general budget, control over its implementation, and control the general funds that follow the ministry.

5. Hypothesis:

This study aims to test the following hypothesis:

(H1): E-Accounting Systems in the ministry of Municipalities and Tourism have the basic components to achieve the systems’ aims.

(H2): E-Accounting Systems in the ministry of Municipalities and Tourism provides the quality of the E-accounting system.

(H3): E-Accounting Systems in the ministry of Municipalities and Tourism meet the financial management needs.

Electronic Accounting Information System depends on many components that contribute to achieving its aims, the components are:

- I. Equipment and devices: to achieve the aims of the system, it is necessary to take the advantages of high-efficiency and advanced devices that contribute to the success of these systems.
- II. Automated Software: information systems cannot achieve the aims of the system without the software that contribute to providing the information that is suitable for software. The software is a series of instructions that make the computer has the ability to translate and process them, this software are written in a specific language.

- III. Regulations and policies: any E-accounting system is derived from a manual system, scientific approach, and some specific instructions. In the governmental system, governmental accounting system based on instructions issued by financial management that help to design the E-Systems, these E-Systems matching the legislation and financial instructions. Governmental transactions depend on some specific statements, like payable and receivable statements that considered as main statements under a government system. The payable statement presents the statements that paying the governmental expenses that determined in the state budget. While receivable statement represents a specific model that collect the money according to the instructions and financial systems that related to revenue collecting.
- IV. Administrators and managing of information technology: for the success of governmental accounting information system in governmental institutes, the management of information technology should exist to run and maintain the software, also to develop the system and update it in line with the user needs. In addition to training the users to use these systems.
- V. Access controls: governmental database consists of financial and non-financial information, this information are vulnerable to hacked and miss-use, like editing or deleting, these procedures lead to damage to society and loss of citizens' rights, so the controls should be taken to reduce the damages like hacking and miss-uses.

6. Population of Study:

The number of the municipal offices used in the ministry of Municipalities and Tourism were 48 offices. Out of which 21 offices have been chosen because these offices are officially using the governmental accounting information system. The questionnaires distributed to the management department, system user, and to one (1) of IT department workers. 76 questionnaires were distributed, but only 70 were returned, and just 58 questionnaires were thoroughly analyzed. To complete the questionnaire the use of a five (5) Likert Scale was applied to three (variables) each respectively.

7. Analysis and Results:

This chapter begins with the preparation the data analysis. Following this, the analytic procedure used in the study is introduced and its assumptions are tested. Then, the main thrust of the analysis which was carried out is presented. The analysis presented covers the total sample.

7.1 The demography details of respondence include:

- Gender
- Age group
- Level of education
- Department

Table 2 Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid male	37	63.8	63.8	63.8
female	21	36.2	36.2	100.0
Total	58	100.0	100.0	

Table 2 above shows the gender of the respondent that (63.8%) of the respondent are male and the rest of (100%) Which is (36.2%) are female.

Table 3 Age group

	Frequency		Percent	Valid Percent	Cumulative Percent
Valid	18-25	8	13.8	13.8	13.8
	26-35	19	32.8	32.8	46.6
	36-45	25	43.1	43.1	89.7
	46-60	6	10.3	10.3	100.0
	Total	58	100.0	100.0	

Table 3 above shows the age of the respondent. We can see (13.8%) of respondents are between (18-25) years old, (32.8%) of respondents are between (26-35) years old, (43.1%) of respondents are between (36-45) years old, and (10.3%) of respondents are between (46-60) years old.

Table 4 Level of education

	Frequency		Percent	Valid Percent	Cumulative Percent
Valid	Secondary school	7	12.1	12.1	12.1
	Diploma	17	29.3	29.3	41.4
	Undergraduate	31	53.4	53.4	94.8
	Master's	3	5.2	5.2	100.0
	Total	58	100.0	100.0	

Table 4 and above shows the education level of the respondent. We can see that (12.1%) from the respondents have (Secondary school) holders, (29.3%) from the respondents have (Diploma) degree holders, (53.4%) from the respondents have (Undergraduate) degree holders, (5.2%) from the respondents have (Master's) degree holders.

Table 5 Department

	Frequency		Percent	Valid Percent	Cumulative Percent
Valid	Accounting	9	15.5	15.5	15.5
	Budgeting	21	36.2	36.2	51.7
	Ownership	28	48.3	48.3	100.0
	Total	58	100.0	100.0	

Table 5 above shows the Department of the respondent. We can see that (15.5%) from the respondents are (Accountant Department), and (36.2%) from the respondents are (Budgeting Department), and (48.3.2%) from the respondents are (Ownership Department).

7.2 Scale: ALL VARIABLES

Table 6 Reliability Statistics

Cronbach's Alpha	N of Items
.886	3

The reliability is $\alpha=0.886$

7.3 Correlations

Table 7 Correlations

		V1	V2	V3
V1	Pearson Correlation	1	.906**	.724**
	Sig. (2-tailed)		.000	.000
	N	58	58	58
V2	Pearson Correlation	.906**	1	.527**
	Sig. (2-tailed)	.000		.000
	N	58	58	58
V3	Pearson Correlation	.724**	.527**	1
	Sig. (2-tailed)	.000	.000	
	N	58	58	58

Table 7 above, indicates to the correlation between the basic components to achieve the systems' aims and the quality of the E-accounting system, (Person correlation=0.906) it is a very strong positive relationship, and statistically significant because it's less than (5%). The correlation between have the basic components to achieve the systems' aims and the financial management needs, (Person correlation=0.724) it is a strong positive relationship, and statistically significant because it is less than (5%). The correlation between the quality of the E-accounting system and the financial management needs (Person correlation=0.527) it is a positive relationship, and statistically significant because it is less than (5%).

8. Conclusions:

This work discovered that:

- The e-accounting information system in Ministry of Municipalities and Tourism has basic ingredients that contribute to achieving the medium aims of the system. Municipal offices have electronic devices and accountant programs but these materials are different between each of these offices according to their activities and the experiences of its employees.
- The e-accounting information system in Ministry of Municipalities and Tourism has a medium quality in E-accounting information systems, where these systems have

accuracy, speed, efficiency, effectiveness, flexibility and reliability of the processed data.

- The e-accounting information system in Ministry of Municipalities and Tourism meets the medium needs of the data users and the financial management. This system provides the information to the different financial management, regulators and aid agencies.

9. Recommendations:

This work recommends the following:

- Working in this system and develop it to include all management levels in all municipal offices.
- Working in this system and develop it to make it more effective through the workers.

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