

The Role of Computerized Financial Information Systems in Increasing Quality of Financial Reports and Performance

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Abstract

This research aimed at investigating the influence of a computerized financial information system in generating high-quality financial reports based on a well-built IT infrastructure. A quantitative approach was adopted by distributing a self-administered questionnaire to 135 individuals from 98 industrial stockholding organizations in Jordan. The questionnaire was based on questions related to variables of study including financial reports characteristics (Relevance, Reliability, Comparability, Understandability, Timeliness, and Faithfull Representation) as independent variables, computerized financial information systems as dependent variables and IT infrastructure, which was hypothesized to mediate the relationship between the two variables. Results of study indicated a positive influence of employing computerized system application in generating financial reports. This influence was attributed to the automated nature of IT applications in increasing understandability, reliability and timeliness of financial reports. Study recommended that organizations should increase the level of their cyber security in case they decide to adopt system in their financial activities, in addition, to deepen the managerial and operational relationship between IT department and financial department as their operations will be intersected in case of adopting system applications.

Keywords

Financial Reporting, Information System, Actual Representation, Understandability, Reliability, Decision-Making, Conformity Value

1. Introduction

Computerized and automated actions and activities have become a train of to-

day's business environment. All organizations are now relying on computerized activities for their internal operations due to their speed and cost-effective outcomes. Nowadays, organizations are employing computers in many processes including HR, supply chain management, inventory, and financial (Zakaria et al., 2017).

As a result of technological developments in the field of finance, there appeared the financial information systems, which are systems that present financial and statistical reports regarding the financial status of the organization in order to help decision-makers make the right decisions at the right time based on accurate and reliable data (Rahmawati et al., 2018). Also, Gunawan and Karimah (2017) and Appiah et al. (2014) pointed out that system is a group of both human and financial resources within an organization that is responsible to handle, prepare, process and present financial information for the financial data that have been collected previously. Such resources are able to present realistic and well-built financial information for multiple managerial levels in order to make informed decision based on true and understandable financial information.

System data processing and information that it represents for the organization are seen to be of great value for the decision-makers. According to Qatawneh (2020), there is a relationship between technology enhancements and the quality of the financial and accounting outcomes that is considered to be tremendous, and it has impacted the way that the financial and accounting procedures are performed. Technological enhancements of software, data analysis and automated tools have strengthened and facilitated financial and accounting functions with enhanced precision, efficacy and favorable impact on the results. Odonkor et al. (2024) agreed on the same idea arguing that through technology, reports, statements and calculations are produced and processed in real time, thus eliminating unnecessary manual input and creating accurate and timely reports and statements. Automation of mundane activities like data entry, reconciliation, and numbers analysis can save time, and help accountants to dedicate their time to more complex and valuable tasks like strategizing, planning, and company's decision-making, thus improving the quality of financial analyses and results.

Al-Okaily et al. (2024) also added that advanced technologies of data analysis are available through the use of technology that can help in analyzing large data sets and highlight regularities, trends and abnormalities, which can sometimes be difficult to come across using traditional methods. Sophisticated technical and machine learning techniques help in analyzing amount of financial data to identify and mitigate risks or fraudulent practices. Apart from enhancing the reliability and credibility of the financial and accounting results, this advanced analytical ability also aids in forecasting, budgeting, and financial planning, which can enable organizations to make more confident and capable decisions based on comprehensible and sensible facts and figures. Bochkay et al. (2023) also agreed noting that technology is a critical enabler of raising the quality of financial and

accounting provisions through the minimization of mistakes, optimization of time, and provision of sophisticated analytical tools as well as allowing professionals to shift their gaze to value-added activities in financial management.

1.1. Research Problem

Based on above argument, the manual financial reporting techniques adopted by many organizations as well as traditional accounting information systems may lead to inefficiencies, errors and limitations in the quality of financial reports as well as financial performance of the organization due to the failure to adopt computerized financial information systems and their benefits. Given this scenario, it can be seen that there is a challenge in the improvement of the quality of financial reports as well as the impact that these reports have. Current study aims to identify the existing realities and restrictions of financial reporting and stresses on the possible advantages provided by the usage of computerized financial information systems. The study proposes that there is need to advance research on the subject and as such, avails such systems as a basis through which the effectiveness of financial reports and overall financial performance may be enhanced.

1.2. Research Questions

The current study seeks to answer the following main question:

How does IT infrastructure moderate the relationship between Computerized FIS and the quality of financial reports?

1.3. Research Significance

Significance of current study lies in gaining a deeper understanding of the complex interplay between IT infrastructure, computerized financial information systems (FISs), and the quality of financial reports. By examining the moderating role of IT infrastructure, the study can provide valuable insights into the factors that influence the effectiveness and outcomes of computerized FIS implementation in enhancing financial reporting quality.

2. Literature Review

2.1. Computerized Financial Information System

Technology has also invaded such systems and turned them into computerized financial information systems which are a form of financial information systems that work in accordance to present financial information based on users' requirements (Taiwo, 2016). Computerized financial information system works in general within an operating environment that consists of two constituents (software and hardware), the software is the systems and applications that are used while the hardware is the device, computers, machines and users who use such applications and systems (Al-Wattar et al., 2019).

Such systems are now used in many organizations as an approach to tackle the financial data of an organization and present financial reports that are of high quality. This has led organizations to pay extra attention to financial reports and the fact that such reports have to be intact with what constitutes a high-quality financial report (Trabulsi, 2018).

According to Ahmad and Al-Shbiel (2019), computer system is complementary to each other, it means that each one of them completes the other in the way information and data are processed and presented. Alewine et al. (2016) noted that system is based on the actual processes of AIS but it mainly depends on utilizing the computer as a user for such data not the human as the traditional approach. System contains 3 main actions which are input, processes and outcomes, which are the basic constituents of computers. As for Habiba et al. (2019), Bataineh (2018) and Isa (2017), system is considered to be a part of the conventional system processes, but it is done through computers and other technological applications that are meant to manage finances of an organization in less time and more accuracy.

Bansah (2018) and Ilić and Anđelić (2017) argued that adopting computerized financial system is as beneficial as AIS in its traditional form, however, it presents more accurate information at the end but still the human factor is considered to be a major aspect in its processes.

2.2. Quality Financial Reports

High-quality financial reports are reports that have the characteristics needed to represent financial information that are valuable for users and accountants in the organization (Soyinka et al., 2017). Those reports must contain financial information about investors, lenders, creditors, and expenditure (Abbott et al., 2016). According to Salehi and Shirazi (2016), high-quality financial reports normally contain characteristics in two groups: 1) basic qualitative traits including (relevance and faithful representation) and 2) supporting characteristics including (understandability, timeliness, comparability and reliability).

2.3. Elements of High-Quality Financial Reports

From the perspective of Al-dmour et al. (2018), financial reports won't be of a high-quality value if they didn't have the following characteristics:

- **Relevance:**

Financial reports have to be relevant, relevance means to have the ability to meet the nature and orientation of the decision needed to be made, so relevance may influence the economic decisions of the users and make difference in these decisions in their quest to reach suitable decision (Mbobo & Ekpo, 2016).

CFIS generated financial reports are seen to be relevant in case it had two major aspects which are "predictive value" and "confirmatory value" or both. Ojo and DiGabriele (2017) noted that predictive value has the ability to predict eco-

nomic and financial stands of the organization within the coming period of time and prepare it to face incidents and situations that are predicted to take place in the future, while the confirmatory value refers to the assurance of information system to present feedback regarding previous financial reports either by confirming or rejecting it (Qatawneh, 2020).

- **Reliability:**

Reliable financial reports mean that the presented financial reports are reliable and decision-makers can depend on them to generate financial decisions for the benefit of the organization (Crawford et al., 2018). Also, for financial reports to be reliable means that those reports can be generalized and distributed on the interested departments of the organization without a doubt and based on the belief that such reports represent the reality of organization in accordance with its financial status and market share (Ojo & DiGabriele, 2017).

- **Comparability:**

The concept of comparability refers to the ability of financial reports to be compared with previous financial reports to the same organization or those reports of another organization. This characteristic helps in aiding decision-makers to make the right decisions for investments and compare the status of the organization with other organizations (Al-dmour et al., 2017). Preserving the concept of comparability requires from the organization to be steady and fixed in using the financial policies and used items, there is no space to change the financial policies if the organization wishes to have comparable financial reports (Mbawuni, 2019).

- **Understandability:**

This characteristic refers to the fact that financial information must be shown in the reports in a vivid and clear way, it mustn't be complicated or hard to track (Qatawneh et al., 2023). In addition to that, understandable financial reports are always supported with charts, graphs and diagram which increase its understandability and support the information within the report (Mwambu, 2018).

- **Timeliness:**

This characteristic means that financial reports have to be available upon the request of users (Tambingon et al., 2018), it refers to the ability of the organization to get the financial information at the right time, because it is widely known for organization that financial information loses its value fast, so having financial reports ready at a specific time is something that needs to be done accordingly (Dissanayake & Ekanayake, 2018; Qatawneh, 2023).

- **Faithful Representation:**

In order for information to be reliable it has to represent the financial activities within the organization in a faithful way (Rossi, 2017). This means that financial information has to represent reality through being true, honest, complete, error free and neutral, it isn't meant for financial information to be perfect, but to try to reach the optimum level of perfection (Soyinka et al., 2017).

Generally speaking, faithful representation doesn't have to be relevant, it means that if the organization received a grant from the government—a machine—this machine would be represented in the financial reports with \$1, so this value doesn't really reflect the value of the item but it reflects its realistic existence (Mbobo & Ekpo, 2016).

3. Research Methodology

Aim and Hypotheses

Based on the above argument and review of the literature, current study aimed at examining the influence of system on presenting high-quality financial reports based on the mediating influence of IT infrastructure.

Realizing the aim was done through connecting between system as independent variables, and the elements of quality financial reports including (Relevance, Reliability, Comparability, Understandability, Timeliness, and Faithfull Representation), the mediating variable appeared in the model was IT infrastructure.

Following model highlights the relationship between chosen variables (Figure 1).

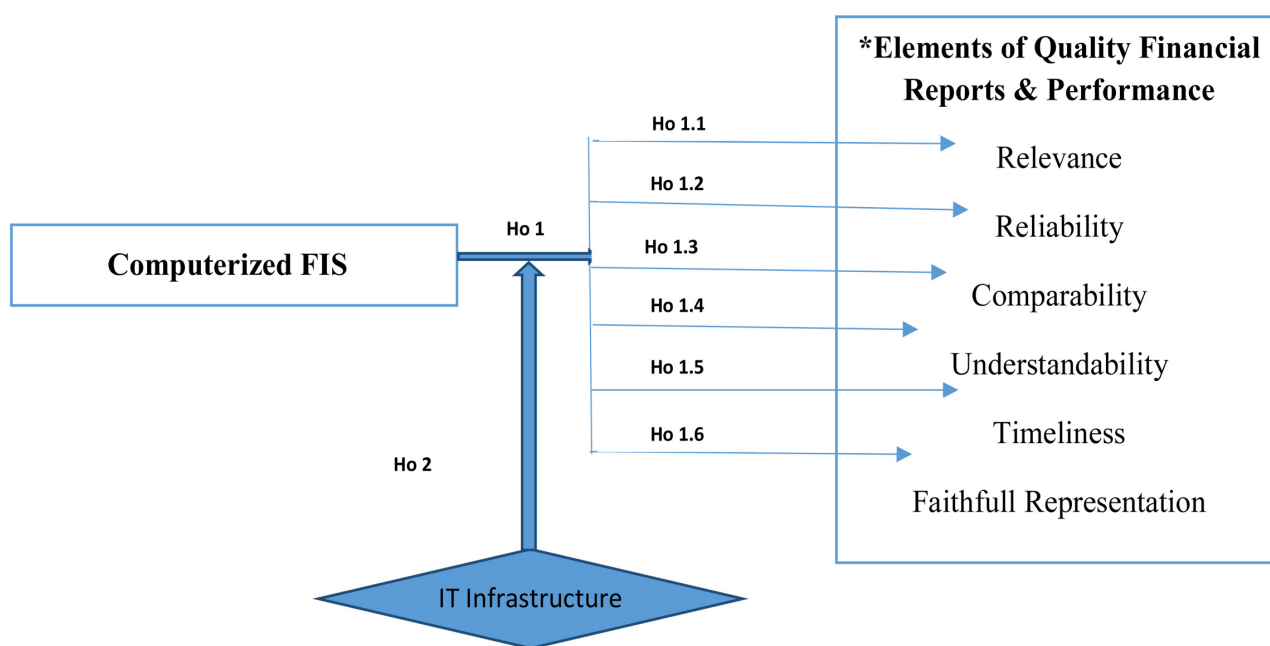


Figure 1. Study model. *: Qatawneh (2020), Herath and Albarqi (2017) and Al-Dmour et al. (2018).

From model above, following hypotheses were generated in order to explain the main aim of study:

H1: Computerized FIS positively influences quality of financial reports.

Abdallah (2013) examined the influence of using computerized application on the quality of financial reports presented for the income and sales tax department in Jordan. Through distributing on employees in financial department; re-

sults of study indicated an influence on increasing the quality of financial reports which helped decision-makers to make better informed decisions in accordance with information processed by system. Researcher also found out that system is mostly influential in increasing the accuracy and reliability of the information which is manifested in decision-makers' ability to make their decision in accordance with the realistic data that are presented before them.

Yadiati (2017) tried to examine the influence of internal control, human resource competence and technology utilization on quality of financial reports. In order to realize the aim, researcher distributed questionnaire on participants. Results of study indicated that internal control, human resource competence and technology utilization help in presenting better quality financial reports, the influence—however—of technology utilization appeared to be more vivid when applied on AIS applications and devices that support reaching such high-quality financial reports. Researcher further added that involving technology in applications give better qualities for financial reports which included more accuracy and ability to represent reality of organization based on relevant information.

van Beest et al. (2009) aimed in their study to examine the characteristics of financial reports presented by system through examining 231 annual reports from organizations listed at US, UK, and Dutch stock markets in 2005 and 2007. Results of study indicated that CFIS generated financial reports enjoyed characteristics including (Relevance, Reliability, Comparability, Understandability, Timeliness, and Faithfull Representation) which helped in increasing the quality of such reports and managed to give information that helped decision-makers to take informed decisions based on accurate information.

From the argument above, the following sub-hypotheses were developed:

H1a: Computerized financial information system positively influences the relevance of financial reports.

H1b: Computerized financial information system positively influences the reliability of financial reports.

H1c: Computerized financial information system positively influences the Comparability of financial reports.

H1d: Computerized financial information system positively influences the Understandability of financial reports.

H1e: Computerized financial information system positively influences the Timeliness of financial reports.

H1f: Computerized financial information system positively influences the Faithfull Representation of financial reports.

H2: *IT infrastructure moderates the relationship between Computerized FIS and the quality of financial reports.*

Now, organization are becoming more focused on presenting financial information that are generated by a “neutral” side and that are related to reality and able to express the realistic financial status of the organization. This wouldn't

be achieved if it wasn't for the well-built IT infrastructure that an organization has which supports its AIS applications and make sure that all operations and financial activities are done automatically without human errors.

Borhani et al. (2021) stated that based on the overall possibility offered by the Blockchain as a technology, authors wanted to explore the acceptance of blockchain technology by the producers and users of financial reporting. By adopting the qualitative method and content analysis of 11 semi structured interviews, changes are made to the initial theoretical model and factors inhibiting/influencing this technique in financial reporting domain identified. Lastly, it has been possible to complete the final model through the gathering and analyzing of 35 questionnaires based on the fuzzy Delphi method, and the view of preparation and users of financial reporting regarding the acceptance of this technology has been assessed. Blockchain technology is adopted in the financial reporting system, and the primary driver of adopting this new technology is the perceived utility from the enhanced qualities of information. By using this scientific research, it becomes easier to understand the different factors that are involved in the adoption of new techniques by the developers of financial reporting and more specifically, the effect these new techniques have on the current intention and use of the system in the field of financial reporting.

Nesterenko et al. (2021) performed a theoretical analysis and generalization. They have suggested a new approach to the topical scientific and practical issue of the adaptation of the domestic enterprise's financial reporting to the international standards and building of the accounting information for the effective management of the enterprise. The purpose of this article is the analysis and assessment of the Ukrainian financial reporting at the present stage, as well as the definition and development of theoretical and organizational methodological prerequisites for its further compliance with the international standards and management demands. The authors employed the dialectical approach that allowed revealing the informational nature of financial reporting; within the systemic approach, the authors summarized the scientific knowledge and substantiated the conceptual theoretical propositions and recommendations for the enhancement of the methodology for the formation of the financial reporting for meeting the requirements of financial management. The issues with gathering, sorting, and consolidating data, the availability of information overlap and multiple sources and the analysis of data incompatibility due to report formats became the driver for the technological tools of formation and delivery of financial reporting. The usage of XBRL in Ukraine also presupposes the construction of the national XBRL taxonomy as per the Ukrainian P(S) FR for the enterprises of diverse types of activity, or sectorial extensions. This leads to the expansion of informational space, and enhances the level of financial reporting transparency which guarantees better decision-making.

Current study was based on embracing a quantitative approach to realize the aim. From that point, a questionnaire was utilized to collect the primary data. The

questionnaire contained two main sections including demographics of study (age, gender, experience and qualifications) and the other section contained statements that are related to variables of study including the independent variable and the dependent variables (Elements of Quality Financial Reports) and the mediating variable which the IT infrastructure.

Population of study consisted of all managers and/or those who represent them of financial management and financial departments in addition to internal auditors within 56 industrial stakeholder organizations in Jordan. This makes the study population of 112 individuals from the while count of considered organizations. A sample of 87 individuals was chosen to represent study sample. Participants were exposed to the self-administered questionnaire; after application process researcher was able to retrieve 135 properly filled questionnaires which indicated a response rate of 87.3% as statistically accepted.

Descriptive statistics, multiple and simple regression and other statistical tests of AMOS were employed in order to process and analyzed gathered data, in the following section there appeared results of study as according to respondents' answers. Cronbach's alpha is used to test the reliability of the questionnaire, as shown in the following table; Alpha value for each variable is acceptable since it is greater than the cutoff value 0.60.

Current study was based on adopted variables that included independent, dependent and moderating variables.

- **Independent Variable:**

Computerized FIS

Which are applications that are built to deal with information of financial nature within an organization? It involves the application of computers, databases and different software to process, store, retrieve, analyze and present financial data.

- **Dependent Variables:**

1) Accuracy

Accuracy is one of the many aspects of quality financial reports, where investors can obtain relevant and credible information. This means that they do not contain any materialized mistake, inaccurate statement or omission in presenting the real state of affairs of the business entity.

2) Relevance

It is important that the financial reports relay information that is useful to the users, hence flexibility is important. They should contain a set of figures or values of income statement, balance sheet, statement of cash flows, and statements of changes in equity, and also notes and disclosures to these statements.

3) Completeness

Financial reports are a comprehensive report of a company's financial transactions. They comprise all the necessary information that would be used by the users in arriving at financial decisions about the financial performance, financial

condition, and financial changes of the entity.

4) Understandability

As stated, there is a need to present the financial reports in a way that is understandable. The information should be presented coherently, systematically, and in a manner easily understandable by the target users and in accordance to the accepted accounting standards and practices and in terms that will be understood by the intended users.

5) Comparability

Accuracy of financial statements creates basis for proper comparison across different periods and organizations. It offers a coherent and reliable picture of the financial activities and state of the organization, thus helping the users to compare its results and position at different time points and in comparison, to the industry benchmarks.

6) Transparency

It means that all the important accounting policies and procedures used by the management for financial reporting as well as estimates, estimates, and judgments that have been made should be disclosed. They should also include information about risks that might threaten the organization, issues of uncertainty and other matters that may affect the financial position and performance of the organization.

7) Compliance

Accurate financial statements follow the appropriate rules of reporting and the existing legal provisions. The financial records meet the generally accepted accounting principles, laws, and regulations that govern the presentation of financial statements' accuracy, reliability, and integrity.

- **Moderating Variable:**

IT infrastructure

The physical components include computers, networking systems, storage systems, and other infrastructure elements necessary to support IT operations in an organization. It includes all structures and substructures required for the management and storage of data and its communication, as well as for the implementation of various IT processes and applications.

4. Results and Analysis

4.1. Demographics

Table 1 presented analysis of sample's demographic variables according to the responses; from analysis it appeared that majority of respondents was males forming 76.3% of total sample, as for age range, it appeared that majority of respondents was within the age range of 39 - 45 years forming 34.2% of total sample, in addition to that, majority of sample held a BA degree forming 53.9% of total sample with an experience of more than 17 years forming 42.1% of total sample.

Table 1. Sample characteristics according to demographics.

		Gender			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	75	76.3	76.3	76.3
	Female	60	23.7	23.7	100.0
	Total	135	100.0	100.0	
		Age			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	25 - 31	11	7.9	7.9	7.9
	32 - 38	65	25.0	25.0	32.9
	39 - 45	32	34.2	34.2	67.1
	≥46	27	32.9	32.9	100.0
	Total	135	100.0	100.0	

4.2. Questionnaire Statements

Researcher analyzed respondents' attitudes towards statements of questionnaire. It appeared from results that respondents had a positive attitude towards presented statements as statements' mean scored higher than mean of scale 3.00 which is considered as statistically positive results. **Table 2** highlighted respondents' attitudes towards statements of study, noticing mean of each statement, it appeared that the highest statements scoring the highest mean was articulated "*There is balance in the presentation of the reports*" which is an item from (faithful representation) scoring a mean of 4.38. This indicated that majority of sample agreed on the fact that the trait of faithful representation of information and financial results within financial reports are considered to be of great important and can be claimed through using CFIS. On the other hand, the least mean scored among statements appeared to be the statements articulated "*CFIS has the ability to improve the reliability of financial reports*" scoring a mean of 3.71 and indicating a positivity higher than mean of scale 3.00.

Attitudes of respondents towards each variable were analyzed through descriptive statistics in **Table 3**. As it can be read, all variables were positively answered by respondents as the mean of each variable scored higher than mean of scale 3.00 and indicated a statistical positivity. Among the chosen variables, it appeared that the higher variable which was positively answered was relevance scoring a mean of 4.25 which is basically higher than mean of scale 3.00. This means that relevance was the most positively answered variable of all other variables.

Table 2. Responses to questionnaire statements.

Statement	μ	σ
Computerized FIS		
1) Financial system allows the processing of large amount of information	3.35	1.083
2) Financial system allows the completion of tasks easily and quickly	3.92	1.105
3) Financial system has the ability to improve the reliability of financial reports	3.71	1.105
4) Financial system guarantees higher quality of financial information with lower cost	3.97	1.083
5) Financial system encourages employees to perform their daily activities fast and within high quality characteristics	3.82	1.096
6) Financial system application are easy to understand and use by users	4.30	0.785
7) Financial system ease financial duties and activities	3.95	1.005
8) Commitment to laws and regulations is guaranteed by financial system	4.27	0.737
9) Financial system is run based on effective documentation standards	4.13	0.929
Elements of Quality Financial Reports		
Relevance		
10) The organization use fair values instead of historical cost in its annual reports	4.04	0.756
11) There is no undue delays in the annual financial reports	4.33	0.681
12) All financial reports generated automatically are agreed on by regulatory bodies of financial	4.34	0.703
13) Automated financial reports present predictions and expectations regarding the financial future of the organization	4.20	0.654
14) Financial system generated reports confirm the profitability of the business in general	4.34	0.758
Reliability		
15) Financial reports' reliability is critical and crucial	3.86	0.988
16) Automated financial reports are always reliable due to the lack of human interference	4.20	0.862
17) All data generated within financial reports are reliable and express reality	3.67	0.993
18) Financial system generated financial reports are always reliable as they are automated	3.92	1.030
19) systems depend on income data, if there were accurate them the outcome will be reliable	3.88	0.848
Comparability		
20) Financial system generated financial reports can compare current period results with previous financial periods	4.30	0.674
21) The financial estimates are based on current and historical implications if the revision	3.94	0.734
22) Financial system generated reports present ratios and index numbers	4.15	0.832
23) All information presented by financial reports are comparable	4.20	0.880
24) Computer generated financial reports are always comparable with previous reports	4.25	0.723
Understandability		
25) Automated annual reports are always well-organized	3.84	1.096
26) There is a vivid use of technical language and financial jargons	3.93	1.112
27) There is always a glossary with the reports that is comprehensive	3.74	1.124

Continued

28) Expenditure and financial sources are easy to understand	4.00	1.095
29) The value and nature of business assets are clear and understandable	3.84	1.108
30) There are graphs and tables that highlights suitable information	4.29	0.797
Timeliness		
31) Financial reports are always ready when they are needed	3.99	1.026
32) Decision-makers have the ability to generate reports whenever they need it	4.28	0.754
33) Financial system generated financial reports are always on time with no delays	4.20	0.929
34) CFIS generated financial reports are timely as according to users' preferences	4.14	0.748
Faithfull Representation		
35) Financial reports has to be timely in order for them to be relevant	4.36	0.687
36) There is a clear explanation for the chosen financial principles	4.37	0.709
37) Financial system generated reports include unqualified auditors' reports	4.22	0.665
38) There is balance in the presentation of the reports	4.38	0.748
39) Explanation of assumptions and estimates in a valid and clear approach	3.92	1.004
40) Financial system generated reports discloses information on governance issues	4.26	0.870
IT Infrastructure		
41) All financial department is connected to reliable servers	4.03	0.993
42) The organization depends on automated computer financial reports due to its accuracy and clearness	3.92	1.038
43) Auditors depend on computerized reports in order to manage organizational financial statements	3.99	0.862
44) All financial systems are supported by a separated servers to make sure that they are connected all the time	4.36	0.667
45) IT infrastructure of the organization is always maintained to the best shape	3.98	0.746
46) There is an ongoing following of developments and enhancements in IT tools and applications by the management	4.16	0.834

Table 3. Descriptive statistics.

	μ	σ
AIS	3.96	0.762
Elements of Quality Financial Reports	4.11	0.600
Relevance	4.25	0.563
Reliability	3.98	0.826
Comparability	4.15	0.663
Understandability	3.94	0.889
Timeliness	4.16	0.683
Faithfull	4.23	0.639
Infrastructure	4.06	0.708
Valid N (listwise)		

4.3. Discussion

Current study focused on gathering between financial system and financial reporting with the existence of well-established IT infrastructure. Achieving the aim was done depending on quantitative approach in which a questionnaire was distributed on 135 individuals within industrial stakeholder organization in Jordan. SPSS was processed on the gathered data; following results appeared through the analysis:

- Respondents presented high level of awareness regarding IT infrastructure necessity within financial operations in the organization.
- There appeared a positive attitude towards application and use within industrial stakeholder organization referring to individuals' preferences to depend on computerized financial process.
- Applications in all its forms appeared to help in increasing quality of financial reports which is attributed to the level of development, security and sophistication of IT infrastructure in an organization.
- Main hypothesis of current study was accepted and proved, and SPSS results assured that IT infrastructure moderates the relationship between system and the quality of financial reports.
- All variables appeared to be influential in developing and generating high-quality financial reports, it appeared through analysis that the most influential variable of all was "understandability" scoring a variance of 87.7% and reflecting that system generated financial reports are highly considered to be understandable for the reasons which included:
 - o System generated financial reports are normally well-organized and technical/financial jargons are always vivid in all reports which increase the level of its understandability.
 - o The glossary in the reports is comprehensive, understandable and easy to follow.
 - o All business asserts and expenditures are clear and followed which highlights the status of financial sources in a clear and understandable way.
 - o Graphs, tables and figures that are generated by CFIS increases the understandability of financial reports which present it of high quality and help decision-makers to make the optimum use of such reports.
- According to analysis, the least influenced quality of financial reports when are generated by computers appeared to be relevance scoring a variance of 14.9%. This can be explainable based on the fact that financial reports are basically relevant as according to the input, input is usually done by individuals and their experience, precision and financial abilities are usually influential in that matter. Based on that, when the input is relevant the output will be relevance as well, the issue isn't connected to CFIS as much it is connected to users "employees".

Involving computer application within AIS is considered to be of a great im-

portance due to its ability to realize all needed characteristics of high-quality financial reports. Financial system is able to realize high-quality financial reports due to its ability to tackle large amount of data which gives the chance to deal with such data in accordance with the relevance and credibility needed in less time and efforts which supports the relevance and timeliness of financial reports.

Also, system generated financial reports are processed based on previously set harmony with regulations and governmental laws; this means the ability to generate financial reports that are credible and reliable. The intact performance of computer devices helped in increasing the characteristic of understandability of financial reports, it is meant that financial reports are processes through well-designed software that guarantees a full and vivid presentation of information which help decision-makers through being understandable and clear enough which appeared to rhyme with what came along with [Taiwo \(2016\)](#) and [Al-Wattar et al. \(2019\)](#).

Results of study indicate also noted that with no well-built IT infrastructure there won't be a chance for FIS to operate and present financial reports with high quality and standards. [Trabulsi \(2018\)](#) appeared to have the same notion arguing that Unprotected and weak cyber security may contribute to the easy hacking of such information and may expose the organization to many risks and dangerous through the haphazard use of system.

Study also referred to the that IT infrastructure not only can decrease the quality of financial reports, however, [Ahmad and Al-Shbiel \(2019\)](#) noted that it can open the doors for more violation of confidentiality, as some studies indicate that corporate networks are being violated at a rate ranging from 12 to 15 times per year, because the more IT progress, the more difficult it becomes to protect information networks and systems as well as the higher the costs of protection.

These results have increased the need to establish a strong IT department that is connected directly with all operations and activities of the financial departments and encrypted with the needed systems that enable the full protection of information which agree with [Habiba et al. \(2019\)](#) and [Bataineh \(2018\)](#).

Current study and [Isa \(2017\)](#) noted that system—if built on strong IT infrastructure—can help in the development of financial operations, strategies, and financial control. The appearance of modern technology in FIS has led to great opportunities in reducing human errors, which was found to be beneficial in increasing the efficiency of financial reports and delivering the organization to better financial performance.

Current study contributed to highlighting the relationship that gathers between systems, financial reports and IT infrastructure.

5. Conclusion

Financial reports stemming from financial system must be of high quality in order to meet qualitative characteristics of well-built FIS reports, so that stakeholders can adopt them in order to make decisions according to their needs. Also, qual-

ity in financial reports is an important element that helps in determining the reality and health organization's financial status. Therefore, organizations have sought to design and build advanced systems in order to control the vast amount of information necessary to manage their finances and in order to ensure that good and accurate information reaches all administrative levels in the appropriate form and at the right time in order to use it in making rational decisions.

6. Recommendation

Current study may contribute to increasing awareness of organization's stakeholders and managers to the importance of IT infrastructure and how it has the ability to influence the overall organizational performance let alone the financial performance.

Based on above results, current study recommended:

- Adopt measures and procedures that guarantee continuous working and ongoing readiness for system in case of risks and emergencies through utilizing well-built devices and software that can predict risks ahead.
- Encrypting system files and programs is essential in order to avoid hacking or unauthorized use of it.
- Increasing awareness of users and individuals on the importance of cyber security in computerized financial operations.
- There is a need to adopt a plan that reflects organizational ability to tackle expenses generated from adopting system and securing them.

Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

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