MODERATING EFFECT OF THE ADOPTION OF COMPUTERIZED ACCOUNTING INFORMATION SYSTEMS AND THE PERCEIVED EFFECT ON FINANCIAL PERFORMANCE – A STUDY OF PALESTINIAN COMPANIES CASE

Ayman H. M. Uzrail[1], Barjoyai Bardai[2]

[1]Doctorate candidate in Accounting, Faculty of Finance & Administration Science, Al-Madinah International University, Malaysia
[2] Professor Emeritus, Faculty of Finance & Administration Science, Al-Madinah International University, Malaysia

Abstract

The aim of the study is to examine the moderating effect of the adoption of computerized accounting information systems on the financial performance of companies (through increasing revenues and rationalizing expenses). The study population included all listed companies in Palestine. 500 questionnaires were distributed to the CEOs of the companies and 495 were collected back and they were coded for the purposes of the analysis. Analysis of Moment Structures was used (AMOS) and SPSS for data analysis and hypotheses was tested. The results showed that there is a significant relationship between the moderating effect of the adoption of computerized accounting information systems (CAIS) and the perceived financial performance (PFP). Three independent variables - namely Satisfy user's information needs (SUI), costs of CAIS adoption (CSA), Quality of accounting information from CAIS (QAI) were also found to have significant impact on the perceived financial performance of the companies. The study concluded all companies that are listed in Palestine want to adopt the computerized accounting information systems to enhance their financial performance. We hope that the study had enlighten management of Palestinian companies about the need to improve computerized accounting information systems to increase their financial performance. Future studies should focus on different variables and come up with new model.

Keyword: Computerized Accounting Information Systems, Perceived Financial Performance, Satisfy User's Information Needs (SUI), Costs of CAIS Adoption (CSA), Quality of Accounting Information from CAIS (QAI), Chief Executive Officer (CEOs).

1. BACKGROUND OF THE STUDY

Accounting information systems (AIS) are among the most significant systems, and it is no longer under the shade of the financial and economic enhancement.

Comparatively in the past, AIS were merely the secondary sub-systems in management information systems. Now, according to Deeban et al. (2005), accounting information systems have become the spine of most business organizations. Whether they are deemed as financial or accounting improvements, different organizational levels are the main and most important parts of management information systems. In particular, they restrict the financial and accounting data collected from sources within
the economic union outside. Then, they run the data and change them into financial accounting and valued information to users both outside and inside the unit (Hussein, 2004).
Siam and Al-Mohannadi (2007) further added that accounting was not away from the vulnerability of this improvement; therefore, the process of supplying computerized services requires companies to prove

their accounting, and validate the accelerated improvement of accounting information systems.
Obeidi (2012), reported that the applications of computerized accounting information systems have expanded in different areas and at every level, to replace the manual accounting information. Meanwhile, in trying to achieve faster and more precise use of computerized accounting information systems and other accounting functions were adopted for quick improvement, and widespread of the systems .
In the context of Palestine, Al-Alami (2015) reported that the use of information systems started during the early eighties. However, the use was restricted to the municipalities and government institutions and some charities. Then, due to the appearance of specialized programming companies and recent technology that employs special computers with software, the use of information systems has extended in the Palestinian companies.

2.PROBLEM STATEMENT

It has been found that there are some gaps in previous studies and after reading and reviewing many studies, the researchers decided to highlight the issue in their research. Such interest in the subject may help Palestinian companies and decision-leaders to adopt computerized accounting information systems in their companies and this will lead to improvements and accuracy in their financial performance (see Al-Saqhah (2016); Al-Alami (2015); Teittinen & Granlund (2017); Al-Bihaisi (2016)). This issue of the development and application of CAIS in Palestinian companies have nevertheless seemed to have been neglected. This lack of application in Palestinian companies hinders the quality of financial performance. In other words, such neglect leads to problems in the accuracy and relevance of information provided for the decision-makers in Palestinian companies. In brief, this research attempts to ascertain the levels of adoption of computerized accounting information systems and its effect on the perceived performance among companies in Palestine.

It is anticipated that the research will discover the positive perception of the companies top management on the potential benefit of converting into computerized accounting.

3.THEORETICAL FRAMEWORK AND LITERATURE REVIEW

3.1. The History of Accounting Information System

In a book authored by Miranti (1999), the significant link between accounting and IT was highlighted. In particular, the author explored the history of accounting and IS alongside its links to the company growth theory. Arguably, the author found changes in accompanied organization, strategy, market structure and technology are those that drive changes in AIS design and structure, and these were deemed as a basic significant shift from the conventional approach. Additionally, the author indicated that the accounting historians have often focused more narrowly on the particulars of methodological estimation by itself, while other contextual factors have not been sufficiently addressed. Meanwhile in Levenstein (1998), the objective of AIS development was broken down into three categories including (1) operational control; (2) short-term decision making; and (3) long-term capital allocations. The application of these categories improves the analysis of company practice as it concentrates on how shifting priorities impacted information function, flows as well as content. Additionally, such categorization facilitates companies in preventing the rigidities that are found in certain structures as the existence or proprietary theories that permeate many methods studied in this field.

3.2. Overview of Information System and Accounting Information System

According to the American Association for Information System (AAIS), Information System (IS) comprises a system that gathers, sorts, conveys, and presents information for utilization by people in the planning and oversight fields, of the activities that the organization executes (Al- Bayati & Hassan, 1992). Meanwhile in O`Brien (1990), the concept of IS is illustrated as a group that contains people, procedures and materials that gathers, process and furnishes information inside the organization. In a study by Mansour and Abu-Noor (1999), IS encompasses a system that supplies the organization with the information that the industry requires to make a timely and fitting decision at the administrative level. Based on these definitions, it is clear

that IS essentially involves the receiving and transmitting, storing, processing, retrieving and distributing the data at appropriate place and time.

Accounting information system (AIS) encompasses the information subsystem present inside an organization, and AIS accrues information from the many subsystems of the organization and transfers this information to the information processing subsystem of the organization. As described in Huuhtanen, Juha (2004, p.25), the traditional AIS was generally concentrate on the amassing, processing, and communicating the information associated with finance to the parties outside the organization such as creditors, investors, and tax agencies, as well as those inside the organization such as management.
The traditional provision of AIS is that the functional domains of any organization including marketing, production, finance, and human resources, maintain an isolated information system. Nonetheless, Huuhtanen, Juha (2004) indicated that organizations have come to realise that these isolated systems need to be merged to form one seamless database or an enterprise-wide information system.

3.3. Benefits of Computerized Accounting over Manual Accounting

In Magdalene (2010), the author discussed the benefits of computerised accounting as opposed to manual accounting. The benefits are as discussed below:

3.3.1. Time

In manual accounting, all activities of accounting are carried out manually with the use of paper, and for the average business organizations particularly those that still employ manual system, this evidently consumes significant amount of time and resources. Comparatively, computerized accounting requires much less time because the employee only needs to record the transactions, and the software would handle the rest of the processes, automatically or by an order.

3.3.2. Accuracy

Computerized accounting is both fast and precise. The computer gathers the data and transform them into useful information that management can employ in making the timely and effective decisions. Birungi (2000) reported that the computer performs the classification, sorting, computation, and abstraction of the data and then produces the reports. As all these tasks are done by computer, the risk of miscalculations and other human errors associated with manual data processing can be prevented.

3.3.3. Security

Considering that the manual accounting system involves the use of paper to record information, the beneficial data may be at risk of loss in the occurrence of catastrophes including fire outbreaks and huge floods. Contrariwise, in the information technology domain, the use of computerized accounting system, the internet and the networks provides a trouble-free support and reformation system, while the utilization of passwords can prevent the unauthorised parties from gaining access to the data. Hence, the information is secure.

3.3.4. Cost

While it may be true that manual accounting can be performed with inexpensive human work strength and resources, and its credibility can be assured via monitoring, the highly increasing competition level in the business domain today requires business organizations to consider the time aspect especially in making the right decision, in order to prevent losses. In this regard, it should be noted that while computerized accounting may incur greater cost when compared to the manual accounting especially in regards to cheap work force, its outcome actually increases its cost.

3.3.5. Level of Output

Computerized accounting has the capacity to simultaneously deal with thousands of calculations, producing accurate results. In contrary, manual accounting involves the use of shifts which are dealt with one at a time. Not only that, each calculation would take much longer time. Additionally, there is always possibility of human faults and mistakes during calculations and this may impact the final outcome, which can reduce the effectiveness of decision making.

4.LITERATURE REVIEW

Past studies have dealt with the reality of accounting information systems and computerized accounting information systems. Each one is presented discretely and not in combination.

Khan (2017) examined the impact of accounting information system on the organizational performance in Procter and Gamble. Data was collected through questionnaires designed on five point likert scale. The sample size of the study is 174 employees. Simple linear regression was used as the statistical tool for analysis. The findings highlighted that there is a significant impact of accounting information system on the organizational performance in the company under study.

Ali, Omar and Bakar (2016) investigated the effect of Accounting Information System (AIS) on organizational performance. They investigated the moderating effect of organizational culture in the relationship between AIS success factors and organizational performance.

Al-Saqhah (2016) assess the quality of computerized AIS implemented in the Palestinian Ministry of Finance. They examined the impact of computerised AIS usage on the improvement of financial performance.

Darmansyah & Fitrijanti (2015) determined the characteristics of Indonesian sugar industries. They examined the impact of the computer-based accounting information system (CBAIS) implementation on the quality of accounting information and managerial performance of the sugar industries in Indonesia.

Appiah, Agyemang, Agyei, Nketiah & Mensah (2014) explored the use of CAIS in state-owned enterprises (SOEs) in Ghana as a developing nation. They examine the conception, motivation, assessment, benefits and challenges associated with CAIS in developing nations.

5.RESEARCH DESIGN

5.1. Objectives of the Study

1. To determine whether "Satisfy User's Information Needs" as a cretiria of Computerized Accounting Information System influences its adoption.
2. To determine whether "Costs" of Computerized Accounting Information System as a cretiria influences its adoption.
3. To determine whether the "Quality of Accounting Information" in Computerized Accounting Information System influences its adoption.
4. To determine the extent of adoption of Computerized Accounting Information Systems and its effects on the Perceived Financial Performance of companies in Palestine.

5.2. Research Questions of the Study

The aim of this research is to develop a framework for Computerized Accounting Information Systems' adoption. In trying to achieve this objective, the following questions will be investigated:

1. Will the "Satisfy User's Information Needs" of Computerized Accounting Information System influence its adoption?
2. Will the "Costs" of Computerized Accounting Information System influence its adoption?
3. Will the "Quality of Accounting Information" in Computerized Accounting Information System influence its adoption?
4. Will the extent of adoption of Computerized Accounting Information Systems affect the Perceived Financial Performance of companies in Palestine?

5.3. Hypotheses of the Study

H1.a – Satisfy User's Information Needs (SUI) significantly effect the computerized accounting information system (CAIS) adoption decision.

H1.b – Satisfy User's Information Needs (SUI) significantly effect perceived financial performance (PFP).

H2.a – Costs of CAIS Adoption (CSA) significantly effect computerized accounting information system (CAIS) adoption decision.

H2.b – Costs of CAIS Adoption (CSA) significantly effect perceived financial performance (PFP).

H3.a – Quality of Accounting Information (QAI) significantly effect computerized accounting information system (CAIS) adoption decision.

H3.b – Quality of Accounting Information (QAI) significantly effect perceived financial performance (PFP).

H4 – Computerized Accounting Information Systems (CAIS) adoption significantly effect on Perceived Financial Performance (PFP).

6.RESEARCH METHODOLOGY

6.1. Size of the Sample

The operating in Palestine will mainly form the population of this survey. Company is the unit of measure in this study and each company will be represented by the Chief Executive Officer (CEOs). Sample size which is 500 companies. Only one respondent will be selected from each company, and the respondent must be the CEOs.

6.2. Tools of Data Collection

The selected respondents encompass all CEOs of registered companies. All CEOs were to fill the questionnaires themselves. The questionnaires were sent by hand to each of these companies and left there for the CEOs to fill. The filled questionnaires were collected after a couple of days.

This study examined construct variables. They are: satisfy user's information needs (SUI), costs of CAIS adoption (CSA), quality of accounting information from CAIS (QAI) on adoption of computerized accounting information systems (CAIS) and the perceived financial performance (PFP) and the relationship between adoption of computerized accounting information systems (CAIS) and perceived financial performance (PFP). The researcher prepared and improved the questionnaire, and gathered the data accordingly, for the purpose of accomplishing the study objectives. the five-scale likert measures the responds with the weight of each response.

Distribution of total 500 questionnaires was accomplished among CEOs of the selected companies, 495 questionnaires were collected and used in this study. From those 447 received responses, 90.3% were male respondents, while the remaining 9.7% were female respondents. In other words, the majority of the respondents in this study were male.

7.RESEARCH MODEL

A research structural model was constructed in this study with the purpose of specifying the research hypotheses. This model will specifically test the hypotheses related to the direct effects of satisfy user's information needs (SUI), costs of CAIS adoption (CSA), quality of accounting information from CAIS (QAI) on adoption of computerized accounting information systems (CAIS) and the perceived financial performance (PFP) and the relationship between adoption of computerized accounting information systems (CAIS) and perceived financial performance (PFP).

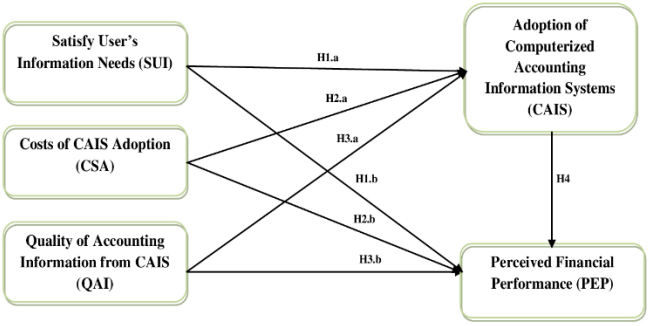

Figure 1: Research Hypotheses in Research Structural Model

8.CONSTRUCT MEASURES

The measures of principal construct were in accordance with the present instruments. Accordingly, the items of measurement of the research variables in addition to the latent constructs are presented in Table 1 below in summary form.

Table 1:
List of Constructs and Measurement Items

1st Order Constructs	Number of questions (29)
Satisfy User's Information Needs (SUI)	6

Costs of CAIS Adoption (CSA)	6
Quality of Accounting Information from CAIS (QAI)	6
Perceived Financial Performance (PFP)	6
Computerized Accounting Information Systems (CAIS) adoption	5

9.ASSESSMENT OF THE DATA NORMALITY

In the evaluation of the normal distribution of the constructs' data, normality test was carried out as the primary pre-assumption of maximum likelihood estimation. Accordingly, the normality test results for all items and variables in the model can be observed in Table 2.

Table 2:
Assessment of Normality for Measurement Model

Construct	*Item*	*Skewness*	*Std. Error of Skewness*	*Kurtosis*	*Std. Error of Kurtosis*
Satisfy User's Information Needs (SUI)	SUI1	-0.239	-2.168	-0.398	-1.808
	SUI2	-0.094	-0.856	-0.39	-1.77
	SUI3	-0.057	-0.515	-0.585	-2.659
	SUI4	-0.143	-1.3	-0.718	-3.26
	SUI5	0.055	0.496	-0.406	-1.843
	SUI6	0.034	0.313	-0.486	-2.209
Costs of CAIS Adoption (CSA)	CSA1	-0.162	-1.47	-0.425	-1.929
	CSA2	-0.031	-0.282	-0.762	-3.461
	CSA3	-0.164	-1.488	-0.45	-2.042
	CSA4	-0.368	-3.339	-0.222	-1.009
	CSA5	0.028	0.258	-0.455	-2.067
	CSA6	-0.036	-0.328	-0.176	-0.799
Quality of Accounting Information from CAIS (QAI)	QAI1	-0.265	-2.406	-0.373	-1.695
	QAI2	-0.233	-2.113	-0.322	-1.461
	QAI3	-0.024	-0.222	-0.605	-2.75
	QAI4	-0.129	-1.174	0.042	0.191
	QAI5	-0.178	-1.613	-0.341	-1.547
	QAI6	-0.052	-0.47	-0.575	-2.609
Perceived Financial Performance (PFP)	PFP1	0.446	4.05	-0.495	-2.246
	PFP2	0.281	2.553	-0.55	-2.497
	PFP3	0.107	0.968	0.072	0.326
	PFP4	-0.16	-1.458	-0.324	-1.471
	PFP5	0.279	2.535	0.126	0.573
Computerized Accounting Information Systems (CAIS)	CAIS1	-0.233	-2.115	-0.553	-2.511
	CAIS2	-0.247	-2.242	-0.344	-1.561
	CAIS3	0.099	0.898	-0.663	-3.013
	CAIS4	-0.27	-2.454	-0.493	-2.239
	CAIS5	-0.194	-1.762	-0.265	-1.202
	CAIS6	-0.144	-1.304	-0.681	-3.094

As can be observed from the results, for all items and variables, the skew and kurtosis fall in the range between ±3 and ±7 respectively. Hence, for all items, the dataset is well-modelled by a normal distribution.
The following Table 2 shows that the skew has a range between -0.368 and 0.446 while the kurtosis has a range between -0.912 and 0.126.

10. RESPONDENT'S PROFILE

The following Table 3 shows the Frequencies and Percentages of the Demographical Variables.

Table 3:
Respondents Profile

Group	Frequency	Percentage
Gender		
Male	447	90.3
Female	48	9.7
Age		
20 to 30 years old	12	2.4
30 to 35 years old	76	15.4
35 to 40 years old	145	29.3
More than 40 years old	262	52.9
Academic Qualification		
Community College Diploma and Lower	8	1.6
Bachelor	351	70.9
Master	131	26.5
PhD	5	1.0
Specialization		
Accounting	143	28.9
Management	183	37.0
Finance	132	26.7
Other	37	7.5
Experience		
3-6 years	24	4.8
6-9 years	87	17.6
9-12 years	161	32.5
more than 12 years	223	45.1
Sector		
Manufacturing	98	19.8
Services	122	24.6
Investment	195	39.4
Insurance	69	13.9
Banking and Financial Services	11	2.2

The respondents specified their age in this study, and from the responses obtained, 2.4% stated that they were between 20 and 30 years old, 15.4% were between 30 and 35 years old, 29.3% were between 35 and 40 years old and 52.9% were more than 40 years old.

In the survey, the respondents specified their academic qualification, and from the responses obtained, 1.6% of these respondents held Community College Diploma and lower, 70.9% held Bachelor's degree, 26.5% held Master's degree, and only 1% were PhD holders.

In specifying the specialization of the respondents, 28.9% of them had accounting skills, 37% had management skills, 26.7% had financial skills and 7.5% had other skills.

The survey also instructed the respondents to specify their working experience, and from the obtained responses, 4.8% stated that they had been working in the field for 3 to 6 years, while 17.6% had been working for 6 to 9 years, 32.5% had been working for 9 to 12 years, and 45.1% had been working for more than 12 years.

In specifying the sector of the respondents, 19.8% of them were in Manufacturing sector, 24.6% were in service sector, 39.4% were in investment sector, 13.9% were in insurance sector, and 2.2% were in Banking and Financial Services sector.

11.HYPOTHESES TESTING

Examining the coefficient parameters estimates was the following step. This was to test the variables' hypothesized direct effects. Accordingly, Table 4 highlights the path coefficients and the outcomes of the hypothesized direct effects' examination.

Table 4:
Results of Hypothesized Direct Effects of the Constructs

Path	Unstandardized Estimate		Standardised Estimate	critical ratio (c.r.)	P-value	Hypothesis Result
	Estimate	S.E.	Beta			
Satisfy User's Information Needs (SUI) affect Computerized Accounting Information Systems (CAIS) Adoption	0.208***	0.055	0.218	3.798	0.000	H1.a) Supported
Satisfy User's Information Needs (SUI) affect Perceived Financial Performance (PFP)	0.242***	0.06	0.25	4.059	0.000	H1.b) Supported
Costs of CAIS Adoption (CSA) affect Computerized Accounting Information Systems (CAIS) Adoption	0.218***	0.048	0.228	4.489	0.000	H2.a) Supported
Costs of CAIS Adoption (CSA) affect Perceived Financial Performance (PFP)	0.143**	0.052	0.148	2.722	0.006	H2.b) Supported

Quality of Accounting Information from CAIS (QAI) affect Computerized Accounting Information Systems (CAIS) Adoption	0.038	0.038	0.041	0.995	0.32	H3.a) Rejected
Quality of Accounting Information from CAIS (QAI) affect Perceived Financial Performance (PFP)	0.017	0.04	0.018	0.417	0.677	H3.b) Rejected
Computerized Accounting Information Systems (CAIS) Adoption affect Perceived Financial Performance (PFP)	0.274^{***}	0.069	0.271	3.989	0.000	H4) Supported

***p< 0.05 , **p< 0.01, ***p< 0.001**

As highlighted in Table 4, Satisfy user's information needs (SUI), Costs of CAIS adoption (CSA) and Adoption of computerized accounting information systems (CAIS) on perceived financial performance (PFP) were positively significant as their p-values were all below the standard significance level of 0.05. As such, hypotheses H1.a, H1.b, H2.a, H2.b and H4 were supported. Conversely, the significance effect of quality of accounting information from CAIS (QAI) on computerized accounting information systems (CAIS) adoption and perceived financial performance (PFP) could not be supported as their p-values were all above the standard significance level of 0.05. Hence, hypotheses H3.a, H3.b were rejected.

The next section contains the discussion of the results of path analysis on the subject of the hypotheses highlighted in the structural model:

H1.a) Satisfy User's Information Needs (SUI) has a significant effect on the adoption of Computerized Accounting Information Systems (CAIS)

The critical ratio (c.r) and p-value of satisfy user's information needs (SUI) in the conjecture of computerized accounting information systems (CAIS) adoption is respectively 3.798 and 0.000, meaning that the likelihood of achieving a critical ratio as high as 3.798 in absolute value is 0.000. Hence, for satisfy user's information needs (SUI), the regression weight in conjecturing computerized accounting information systems (CAIS) adoption is considerably different from zero at the 0.001 level (two-tailed), meaning that, H4.a is supported. Additionally, the achieved standardized estimate of Beta is 0.208 which means a positive relationship. Hence, the increase of satisfy user's information needs (SUI) by 1 standard deviation will cause computerized accounting information systems (CAIS) adoption to increase by 0.208 standard deviations.

H1.b) Satisfy User's Information Needs (SUI) has a significant effect on Perceived Financial Performance (PFP)

The critical ratio (c.r) and p-value of satisfy user's information needs (SUI) in the prediction perceived financial performance (PFP) is correspondingly 4.059 and 0.000, demonstrating that the likelihood of achieving a critical ratio as high as 4.059 in absolute value is 0.000. Hence, for satisfy user's information needs (SUI), the regression weight in conjecturing perceived financial performance (PFP) is considerably different from zero at the 0.001 level (two-tailed), which means that H4.b is supported. Additionally, the achieved standardized estimate of Beta is 0.242 which denotes a positive relationship. Therefore, the increase of satisfy user's information needs (SUI) by 1 standard deviation

will cause perceived financial performance (PFP) to go up by 0.242 standard deviations.

H2.a) Costs of CAIS Adoption (CSA) has a significant effect on the adoption of Computerized Accounting Information Systems (CAIS)

The critical ratio (c.r) and p-value of costs of CAIS adoption (CSA) in the prediction of computerized accounting information systems (CAIS) adoption is correspondingly 4.489 and 0.000 denoting that the likelihood of attaining a critical ratio as high as 4.489 in absolute value is 0.000. As such, for costs of CAIS adoption (CSA) at the 0.001 level (two-tailed), the regression weight in predicting computerized accounting information systems (CAIS) adoption is considerably different from zero, lending support to hypothesis H5.a. Additionally, the achieved standardized estimate of Beta is 0.218 which signifies a positive relationship. Hence, the increase of costs of CAIS adoption (CSA) by 1 standard deviation will cause computerized accounting information systems (CAIS) adoption to go up by 0.218 standard deviations.

H2.b) Costs of CAIS Adoption (CSA) has a significant effect on Perceived Financial Performance (PFP)

The critical ratio (c.r) and p-value of costs of CAIS adoption (CSA) in the conjecture of perceived financial performance (PFP) is respectively 2.722 and 0.006, signifying that the chance of obtaining a critical ratio as high as 2.722 in absolute value is 0.006. Hence, for costs of CAIS adoption (CSA), the weight of regression in predicting perceived financial performance (PFP) is considerably different from zero at the 0.01 level (two-tailed), lending support to hypothesis H5.b. Additionally, the standardized estimate of Beta obtained is 0.143 and this denotes a positive relationship. Hence, the increase of costs of CAIS adoption (CSA) by 1 standard deviation will cause perceived financial performance (PFP) to go up by 0.143 standard deviations.

H3.a) Quality of Accounting Information from CAIS (QAI) has a significant effect on the adoption of Computerized Accounting Information Systems (CAIS)

Table 5.10 presents the results, and as can be observed, there is no significant relationship between the quality of accounting information from CAIS (QAI) and adoption of computerized accounting information systems (CAIS); β = 0.038, C.R. = 0.995, p= 0.320. As such, hypothesis H6.a is rejected.

H3.b) Quality of Accounting Information from CAIS (QAI) has a significant effect on Perceived Financial Performance (PFP)

The results that can be observed in Table 5.10 demonstrate no significant link that exists between the quality of accounting information from CAIS (QAI) and perceived financial performance (PFP); β = 0.017, C.R. = 0.417, p= 0.677. H6.b is therefore rejected.

H4) Computerized Accounting Information Systems (CAIS) adoption has a significant effect on the Perceived Financial Performance (PFP)

The critical ratio (c.r) and p-value of computerized accounting information systems (CAIS) adoption in predicting perceived financial performance (PFP) is respectively 3.898 and 0.000, denoting that the likelihood of achieving a critical ratio as high as 3.898 in absolute value is 0.000. For adoption of computerized accounting information systems (CAIS), the regression weight in the prediction of perceived financial performance (PFP) is therefore considerably different from zero at the 0.001 level (two-tailed). This means that hypothesis H7 is supported. Also, the attained standardized estimate of Beta is 0.274, which evidences a positive relationship. Hence, the increase of computerized accounting information systems (CAIS) adoption by 1 standard deviation will cause perceived financial performance (PFP) to go up by 0.274 standard deviations.

12.RESEARCH CONTRIBUTIONS

The present study attempted to find out the extent of the ability of computerized accounting information systems in Palestinian companies in facing the requirements of companies' financial management. It also tried to investigate their role in developing the

financial performance of companies through making the efforts to increase the revenues in Palestinian companies and rationalize the expenditures. Moreover, this study attempted to strengthen the role of financial supervision of companies and provide the necessary process and information support for decision-making on the financial and economic level.

Furthermore, this study attempted to enlighten the management of Palestinian companies about the requirement of the development of computerized accounting information systems in their development of financial performance. Such action will lead to the achievement of the management's objectives and the adjustment of the object of expenditure, while also developing the sources of revenue. Also, the work towards overcoming budget deficits will support the needs of development and the improvement of the national economy.

13.SUGGESTED FUTURE RESEARCH

The current research has developed a new integrated model for the companies' financial performance, and this model provides a systematic approach and methods to understand the role of computerized accounting information systems on the companies' financial performance. Several future researches can be recommended for scholars if they wish to conduct a research in the same scope and to discover more gaps. Also, considering that this study was conducted among Palestinian companies only, future studies can be expanded to include other countries in order to allow the comparison of standards of acquisition of managers, for instance, between European countries and Malaysia. Factors affecting the financial performance of companies can also be examined.

Another issue with the current study is that it was not able to utilize the statistical packages other than SEM and SPSS. Therefore, it is highly advised that the coming studies employ different variables using PLS (Partial least squares) in order to find a linear regression model by projecting the predicted variables and the observable variables to a new space and come up with new model.

This study suggests that future studies should focus on the Quality of Accounting Information from CAIS and Computerized Accounting Information Systems as well as Quality of Accounting Information from CAIS and Perceived Financial Performance.

14.CONCLUSIONS

The study projected the potential role of CAIS to strengthen the financial supervision of companies and provide the necessary process and information support for the decision-making on the financial and economic level. In addition, this findings will assist the management of Palestinian companies in fulfilling the requirement of the development of computerized accounting information systems so as to develop the companies' financial performance. This will lead to the achievement of management objectives and the adjustment of the expenditure object, while developing the sources of revenue.

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