International Journal of Academic Information Systems Research (IJAISR)
ISSN: 2643-9026
Vol. 7 Issue 2, February - 2023, Pages: 15-24

Implementing Accounting Information Systems in Financial Management Operations of Transportation Companies: A Review of Literature

Gilbert Ogechukwu Nworie[1], Tochukwu Gloria Okafor[2]

[1]Postgraduate Research Student, Department of Accountancy, Nnamdi Azikiwe University, Awka, Anambra State, Nigeria.
[2]Professor, Department of Accountancy, Nnamdi Azikiwe University, Awka, Anambra State, Nigeria.
Email Addresses of the Authors: gn.nworie@stu.unizik.edu.ng, tg.okafor@unizik.edu.ng

Abstract: *The study determines the effect of accounting information system (AIS) on the financial management operations of transport companies. The specific objectives of the study include: to determine how the timeliness, accuracy and reliability of accounting information affects state of financial management. Exploratory research design was deployed in the study. Based on the review of literature carried out, the study concluded that timeliness of accounting information, accuracy of accounting information and reliability of accounting information are critical success factors of AIS which enhance the financial management operations of firms. The study recommends that managers of every transport company should develop its own AIS in line with the nature and scope of the firm's operation so as to produce accounting information that are accurate.*

Keywords: *Accounting Information System, Financial Management Operations, Timeliness, Accuracy and Reliability of Accounting Information*

1.0 Introduction

Accounting information system, being one of the most vital systems of any organization, helps to provide essential information to the managers at different levels. The financial and non-financial information that are provided by AIS primarily contributes to the decision making process of any organization (Kamara, 2020); this is because they help managers, especially financial managers, in discharging their corporate financial responsibilities more effectively and efficiently in the areas of resource control, planning, performance evaluation and general corporate decision making. Transportation companies normally utilize accounting information system as a combination of equipment, people, procedures and policies which work together in the collection of data and in transforming it into useful information for decision making purposes. As a system of support to the activities of employees, customers, investors and managers, AIS is expected to be as effective as ever so as to gather, organize and communicate accounting information to help in the financial management of firms, especially road transportation companies in Anambra state. The vast uses of accounting information system for transportation cut across monitoring and forecasting (Ali & Mohd, 2020). Thus, transportation companies copiously engage AIS to help in monitoring their financial data with respect to meeting the financial objectives of the firm.

There have been an increase in the complexity of accounting process, volume of transactions and work scope. Even the financial management process of firms now have more overwhelming dimensions given the dynamism in the Nigerian, and of course, the world business environment. This makes the acquisition of more customers, being up-to-date with financial data and maintenance of accurate, reliable, timely accounting information system an indispensable necessity (Ali & Mohd, 2020; Okour, 2016). Financial management of firms requires financial and non-financial data to be transformed into useable information. The transformation of such data is done only by the integration of different forms of records, equipment such as computers and communication tools, personnel and other coordinated reports. In fact, extant literature argued that the use of AIS is one of the ways of carrying out knowledge management which has formed the fulcrum of financial planning and control of most organizations (Ahmad & Al-Shbiel, 2019; Harash, 2015). Organisations with low optimization of their AIS often find it very difficult to effectively carry-out financial analysis of past trends and financial forecast of the future. This has informed some academic researches on this topic to advocate that there is a nexus between the implementation of AIS and organsational performance of firms (Amos & Ivungu, 2019; Manchilot, 2019; Kashif, 2018; Fitrios, 2016). High quality accounting information is needed in every transportation company in order to help the company carry-out its financial management activities with more coordination and efficiency. An optimized system for accounting information allows transportation companies access to that high quality accounting information which are timely, more reliable, comprehensive and accurate (Ali & Mohd, 2020; Nguyen & Nguyen, 2020).

2.0 Review of Related Literature

2.1 Conceptual Review

2.1.1 Concept of Accounting Information System

According to Kamara (2020), AIS is used as a formal mechanism that assists managers to gather, organize and communicate accounting information about an organization's activities. This system utilizes various platforms to provide organisations with either accounting data or information that relate to organizational operations in order to provide support to the activities of managers, owners, employees, customers, potential investors, etc. Khan (2017) simply conceptualized AIS as an assemblage of several personnel and facilities that help to provide accounting information in order to support the decision-making processes of managers. This is similar to the submission of Brohan and Bader (2018) that accounting information system (AIS) utilizes laid down formal systems for the identification, measuring, accumulation, analysis, preparation, interpretation and communication of accounting data and information. Dalayeen and Al-Dalaien (2018) posited that AIS contributes fundamentally to the identification, measuring and communication of accounting information of an enterprise with much ease, efficiency and accuracy.

Amos and Ivungu (2019) tactically defined AIS as a system that enables a firm collect and record data and information that relate to events which have an economic effect on the firm. AIS maintains, processes, stores and communicates accounting information to relevant stakeholders so as to enable them take timely, reliable and accurate decision over the affairs of the firm. In support of the position that AIS must not be a computerized system, Manchilot (2019) defined AIS as a computer-based electronic system or a manual system that is used for the collection, storage, processing and communication of financial and accounting data via financial statements in order to support and guide the decision making process of a firm. Computers can be seen as the hub of modern accounting information because they make the platform for automation possible and all other sub-system of an AIS functionally depend on computer in a scenario where the AIS is computerized (Nworie, Okafor & John-Akamelu, 2023). Plus or minus, AIS basically contains a group of business components and resources that are synchronized for the processing, management and control of accounting data which are at last converted to accounting information. AIS therefore is designed with these components to provide access to information that are required for the smooth running of the organization, most especially for the decision makers in the area of finance.

AIS can be computerized or manual; it can even be a hybrid of both categories. The components of a well-established AIS range from documents, technology, personnel, reports to other sub-systems (Abbas, Hanoon, Ageeb & Idan, 2020). According to Ahmad and Al-Shbiel (2019), AIS comprises different forms of records, equipment such as computers, tools of communication, closely coordinated reports, workforce and devices that ensure that financial data are transformed into information that are needed for the management of finance of a firm. Fitrios (2016) broadly gave a list of six components of an Accounting Information System to include: (1) The people who use the system, (2) The procedures and instructions use to collect, process, and store data, (3) The data about the organization and its business activities, (4) The software used to process the data, (5) The information technology infrastructure, including the computers, peripheral devices, and network communication devices used in the AIS; and (6) The internal controls and security measures that safeguard AIS data. There is an integration and interrelationship between these components which now unite them into a whole to work for one purpose: production of accounting information.

Kamara (2020) averred that accounting information system is made up of the sub-systems that accumulate, store and handle accounting and financial information that enable firms make an informed corporate decision. It is the accounting information system that processes, monitors and controls the accounting activities of an enterprise. Broadly speaking, AIS is a combination of human components and equipment components such as software, hardware, procedures, network communication and databases that are fashioned to generate and transform financial and non-financial data into information that would be communicated to various levels of decision makers (Nguyen & Nguyen, 2020; Romney & Steinbart, 2015). AIS functions with sub-systems that can exploit existing resources at the barest units in order to produce high quality accounting information.

2.1.2 Critical Factors in Accounting Information System

The three most relevant critical success factors of AIS or what can as well be called quality of accounting information system are: information scope, timeliness and aggregation (Nguyen & Nguyen, 2020). Information scope entails the vast of financial and nonfinancial information, external and internal information which are all used in predicting future events. The quality of timeliness refers to the ability of accounting information system to meet the information needs of users as at when due.

Lastly, the quality of aggregation of information refers to system of summarizing the collected information at a given point in time. There are authors that measured the quality of AIS using different proxies or critical success factors. For example, Nguyen and Nguyen (2020) and Napitupulu (2018) used integration, flexibility, reliability and efficiency; Rosa and Purfini (2019) used security, accessibility, reliability use, data integration, and availability of correct and timely information; while Abbas, Hanoon, Ageeb and Idan (2020) used timeliness, accuracy and verifiability. This study uses reliability, accuracy and timeliness to measure the critical success factors of accounting information system. The three proxies of AIS that were chosen for the study will now be reviewed in this section.

2.1.2.1 Timeliness of Accounting Information

Timeliness of accounting information refers to the state whereby the accounting information system of a firm produces results or output as at when due. It is the use of the barest time period to make available the appropriate sets of financial reports to the relevant users. Timeliness of accounting information improves the relevance of the AIS (Baker & Iskandar, 2019). One of the most fundamental reasons an AIS is installed is to enable the firm produce accounting information on time to meet the urgent financial information needs of investors, customers, owners, managers, etc.

There are times where it takes a firm a donkey year to make their financial statements available for use. Such organisations that waste time in the publication of their financial reports often find it difficult to meet the urgent information needs of stakeholders; and so, the financial reports, when lastly produced, may be irrelevant to the group of stakeholders that needed it before. Simply put, timeliness of accounting information entails making the financial information available to a decision maker before it loses its capability to influence decisions (Klinsukhon & Ussahawanitchakit, 2016).

2.1.2.2 Reliability of Accounting Information

Reliability of accounting information refers to the state whereby the information provided faithfully represents transactions and underlying substance of events, and prudently represents estimates and uncertainties through proper disclosure (Baker & Iskandar, 2019). It is the state whereby the accounting information produced are trustworthy, consistent and dependable. The information contained there-in must not, therefore, be found wanting of faithful representation. That is to say, the information must fully represent what it purports to represent without breach of the underlying substance of events. Reliability of accounting information requires that AIS should produce financial information that uses the most proper disclosure method to prudently represent estimates and uncertainties.

2.1.2.3 Accuracy of Accounting Information

Accuracy of accounting information is the ability of AIS to produce information that are free from errors and material misstatement. One can say that the accuracy of accounting information requires that the financial reports of a firm should contain values that are free from error and fair, as well. Accuracy is often challenged with the issue of material misstatement. Thus, the uncertainty in determining what is material or what is immaterial may threaten the accuracy of financial figures or information. This is because a misstatement that a particular transportation company may regard immaterial, another firm may still call it a material misstatement. It is in this light that the author suggests that each transport company should develop its own AIS in line with the nature and scope of the firm's operation so as to produce accounting information that are accurate.

2.1.3 Concept of Financial Management

Financial management refers to all the techniques a firm adopts in order to control its financial resources so as to achieve the desired financial results that were set by the firm. It is the financial management decision of the firms that tells of how the financial health of the organization is (Kamara, 2020). One of the primary aims of financial management decision of firms is to make financial forecast and run financial analysis to determine the ability of the firm to meet its long-term financial obligations.

The financial standing and capability of a firm is ascertained by financial management processes. This reveals also how ready an enterprise is in fulfilling its long-term financial obligations and its readiness to fund the production of goods and services in time to come. Financial management sets financial objectives and ensures that these objectives are met. When there is a variance between the expected and the actual, it is through financial management decisions that control is carried out. Those who are entrusted with the task of financial management, namely the financial managers, evaluate a firm's past performance in business and, in addition, map out future financial plans for the sustained existence of the firm in question (Abbas, Hanoon, Ageeb & Idan, 2020).

Financial management entails the measurement process whereby the monetary outcomes of a firm's past or future policies and operations are subjected to critical analysis, planning and control. Firms carry out this management to ensure that they meet their financial goals as stipulated in their financial objectives. Financial management operates on and utilizes firms' assets, finance, revenue, equity and expenses to make financial management decisions that are geared towards improving the financial standing of the firm by generating more sales, minimizing costs and maximizing the value of the shareholders. The end product of this, as argued by Hanoon, Rapani and Khalid (2020), is a set of financial report that is given to stakeholders who will now base their investment decisions on the state of financial management of the firm. That is to say, investors will be more likely to invest in firms that have a healthy state of financial management than otherwise.

Financial management is a precursor to the financial health of a firm because the state of the financial management of a firm reveals its ableness to meet-up with the firm's long term financial obligations. No financial objective can be accomplished with a poor state of financial management (Amos & Ivungu, 2019). Therefore, it is a necessity that financial managers reach healthy financial management decisions in a bid to improving the corporate performance of the firms. Thus, the need for accounting information system is seen clearer here because no financial management decision would be made without accounting information.

2.1.4 Need for Accounting Information System

Organizational success is all about decision making and quality of the decisions that are made in the operation of the organization (Nworie & Oguejiofor, 2023). Once the decisions are improved upon, or once the decision-making process is improved upon, the organization will progress more in achieving its designated goals. It is not just about improving decision-making, it is also about developing ones business to meet up with the need for corporate growth and expansion which now requires management strategies that are well advanced with view to better the decision-making process of the firm. The utilization and optimization of AIS can contribute to the achievement of this goal given that it produces accounting information upon which managers rely for decision making. In other words, no business organization can do away with AIS given its (AIS) place in the decision-making parlance of a firm (Amos & Ivungu, 2019).

The utilization of AIS in transportation firms is advocated for in order that financial reports that are requested by both internal and external parties will be provided with an improved speed, reliability and correctness. Baker and Iskandar (2019) and also Omar and Dalayeen (2018) argued that accounting information system is the backbone of business organizations since it acts as a support system to enables managers take corporate decisions. Particularly, AIS assists in monitoring, performance assessment and evaluation which are all key areas that require high quality accounting information (Saeidi, 2014).

Transportation business is a dynamic business operation with a lot of unstable features. The dynamism in this business requires that transport companies install and optimize AIS that is tailored to meet the specific needs of the firm. In Anambra state, the competition amongst transportation companies is very fierce; sustaining ones transport business here increasingly requires capable technological innovation, technical competitive advantage and a proper information system (Davoren, 2019). The ever growing need for such business sustainability is the reason AIS is implemented and optimized in organisations or business concerns.

2.1.5 Effect of Accounting Information System on Financial Management of Firms

Optimisation of AIS in transportation companies will trigger-off some economic benefits to the firms because it will enable the firms in question to: adapt better to changing business environment, improve the firms' management processes, and have a considerably adequate level of competitive advantage over others. Even in the financial management functions of a transportation company, the two major areas of financial management, namely financial planning and financial control, will all together be well-carried out when the AIS utilization level of the company is quite optimal.

Aside assistance in the financial planning and control functions, AIS enables financial managers to implement their plans more appropriately (Amos & Ivungu, 2019; Samer, 2016). The information required for financial planning in a firm, such as interaction between cost, volume and profit, are all the product of AIS. The effect of such information in the financial planning is that since the financial plans depend on the accuracy and reliability of the information provided, it is therefore safe to say that the better the quality of the AIS, the better the decision of the financial managers who takes decisions based on the information output of AIS (Nworie, Okafor & John-Akamelu, 2023).

Financial managers would need the accounting data that are provided by accounting information system to appraise the past performance of firms, map out future financial plans and inform other relevant managers of present financial standing. It therefore becomes increasingly clear that AIS is relevant in the financial management decisions of firms as no financial manager can do without the outputs of AIS. A corollary to this is that, once the state of financial management of firms are low, the AIS could be suspected as the cause; or better put, there must be a link between the low state of the financial management process and the state of AIS in the firm. This is more supported by the apparent contribution of the use of AIS to the financial performance of firms.

Thus, the optimization of the accounting information system of a firm improves the financial management decisions of that firm by at first adding a plus to the quality of financial management decision carried out in the firm. It is in this light that this study is conducted to determine the statistical association that exists between use of AIS and the state of financial management of firms, using road transportation companies in Anambra state as the case of reference.

2.2 Theoretical Framework

2.2.1 Resource-Based Theory

Barney (1991) propounded the Resource-Based Theory with the view that the primary way by which a firm achieves a sustainable advantage is by doing things in a superior approach using the resources at the disposal of the firm. Put in the words of Amos and Ivungu (2019), Resource-Based Theory purports that firms should develop superior capabilities and/or resources that will enable them sustain their existence. The theory recognizes the divergent and dynamic nature of business environment and advocates for a competitive edge for firms in business. However, the theory stresses that all resources do not have equal potentials; that is, not every resource can confer sustainable competitive advantage on firms. Thus, it is now the duty of that firm to evaluate its resources and determine which can position the firm in a place of superior advantage (Nworie & Oguejiofor, 2023).

The Resource-Based Theory, according to Cragg, Caldeira and Ward (2011), is categorized into three (3) most prominent levels: capability, skills and competence. While capability refers to how the managers of a firm utilize and organize their resources, competence refers to how well and efficient the resources are managed. Mores so, skills refer to those technical know-how that are deployed in managing organizational resources. This theory of Resource-Based View since it emphasizes the need for a sustained competitive advantage indirectly suggests that firms often look out for resources that can help maximize the value of the shareholders.

Thus, the relevance of this theory to the topic of our discourse is that since transport companies would like to maximize the value of their owners through sound financial management decisions, they can easily achieve that by optimizing their AIS resource. This is because a healthy accounting information system, when optimally utilized, is a demonstrated source of competitive advantage in the business world. In fact, ones a business is not well attuned with the use of AIS, especially modern AIS, such business will face poor state of financial management functions which will be reflected in reduced financial performance and low investment returns. Therefore, the Resource-Based Theory underpins the study because of its relevance in explaining the theorized connection between AIS and state of financial management of firms.

2.3 Empirical Review

Abbas, Hanoon, Ageeb and Idan (2020) examined the effect of accounting information system on financial performance with the role of internal control as the mediator. The study adopted survey research design. The population of the study comprised of all the Iraqi Industrial Companies. The sample of the study entails 18 industrial companies from 25 listed companies on the Iraq Stock Exchange over the period of 2014 to 2017. The researchers had targeted 5 employees from each company as respondents. Primary data were sourced for the study using a well-structured questionnaire that was distributed to 90 respondents in (18) industrial companies. The tool used in analyzing the collected data was Structural Equation Modelling. The results of the analysis revealed that Timeliness, Accuracy and Verifiability of accounting information have a significant effect on the financial performance of the selected firms. Internal Control was revealed to positively moderate the relationship between relevance, accuracy and financial performance, but does not moderate the relationship between verifiability, timeliness and financial performance.

Al-Delawi and Ramo (2020) examined the effect of accounting information system on the performance management of the petroleum industry in Iraq. The study adopted correlational research design. Secondary data were utilized in the study. The data were collected from the financial statements of the ten petroleum companies of Iraq that are the most prominent contributor in GDP form year 2001 to 2018. The statistical tool that was used in the study was STATA. The panel data consisted of 10 oil companies and 18 years which jointly created 180 observations. In addition, the robust standard error approach was used to test the hypotheses of the study. The proxies that have been used by the study for the output of accounting information system are total assets (TA), working capital (WC), operating assets (OA) and earnings after tax (EAT) while performance management was represented by return on equity (ROE). The study found that the output of AIS, namely total assets, working capital, operating assets and earnings after tax have a statistically significant association with the return on assets of the selected companies.

Ali and Mohd (2020) carried out a conceptual model examination of the relationship between e-accounting and the performance of SMEs. The study adopted exploratory research design. The primary data for the study were gathered from the review of existing studies of the topic and related issues. Thus, information was obtained from a combination of journal articles. The data that were gathered were subjected to content analysis through critics and reviews for accuracy, relevancy, and other validating elements. The result of the analysis revealed that e-accounting (measured by information quality, cost reduction, fast decision making, and easy to use the software) has a significant effect on the internal monitoring system and financial performance of SMEs.

Nguyen and Nguyen (2020) investigated the quality of the accounting information systems of industrial companies listed on the Hanoi Stock Exchange. The study adopted a survey research design. The population of the study involved all the 174 industrial companies listed on the Hanoi Stock Exchange. Primary research data was collected through a survey of 174 industrial companies listed on the Hanoi Stock Exchange. The authors distributed the survey questionnaire to 522 respondents and 347 responded and returned their questionnaires. The analysis of the data was carried out with the use of correlation matrix and regression analysis. The result of the analysis revealed that information technology has a positive influence on the quality of accounting information system in non-financial listed companies in Vietnam. The study also revealed that applications in accounting system has a positive influence on the quality of accounting information system in non-financial listed companies in Vietnam.

Meiryani, Suzan, Tsudrajat and Daud (2020) conducted a study to examine the effect of accounting information systems on the quality of accounting information. The study adopted the descriptive survey research design to examine the objective of the study. Cross-sectional study groups were utilized in the study. Primary data were sourced through the distribution of questionnaires. After the data collection, the researchers conducted Structural Equation Modelling technique to test the hypothesis that has been formulated for the study. The test of the hypothesis revealed that use of accounting information system has a statistically significant and positive effect on the quality of accounting information among firms.

Ahmad and Al-Shbiel (2019) examined the effect of accounting information system on organizational performance in Jordanian industrial SMEs with the mediating role of knowledge management. The study sample was obtained from the SMEs employees in the Jordanian industrial sector, where a total of 350 questionnaires were distributed, after which the rate of response obtained was around 70%. The study sample demographics show that 78% of the respondents were front-line employees with 33% supervisors at the lower level of company hierarchy. Also, 56% of the sample comprised of male respondents and 44% were female, 59% were less than 30 years, 85% were holders of university degrees, and 55% had less than 5 years working experience. The analysis of the data was carried out using Principal Component Analysis, Correlation Matrix and Regression Analysis. The result of the analysis revealed that AIS has a significant effect on organizational performance, and knowledge management significantly mediated in the relationship between AIS and organizational performance. More importantly, the study concluded that the AIS influence on organizational performance can only be possible through enhanced knowledge management.

Rosa and Purfini (2019) examined the effect of application of accounting information system on the company performance of selected organisations in Indonesia. The study adopted descriptive survey research design. Primary data were utilized in the study. The method used in this study to source for the primary data was semi-structured interviews with informants of the quality of the accounting information as budget accountants in given companies. The data collected were analysed in line with the features of SAP and SIA qualities. The result of the analysis revealed that security, accessibility, reliability use, data integration, and availability of correct and timely information (as proxies of AIS application) have a significant and positive effect on the company performance of the selected firms in Indonesia.

Amos and Ivungu (2019) carried out an examination of the effect of accounting information system on the financial performance of firms. The study adopted the exploratory research design. Primary data for the study were derived from the review of conceptual and theoretical foundations as well as empirical literature relating to accounting information system and financial performance of firms. The method of analysis adopted in the study was a thematic approach. The result of the analysis and review revealed that the use of accounting information system significantly affects the financial performance of firms. It was concluded that the information technology (IT) component of accounting information system is one of the biggest impact of AIS to firms as it enables firms to track, record and produce financial and accounting reports with much ease. Managers should endeavour to deploy powered by computer systems that can quickly present and translate individual transactions into financial reports.

Hosain (2019) examined the effect of AIS on organizational performance firms in districts of Bangladesh. The study adopted a survey descriptive research design. The study population included the top and mid-level managers working at different SMEs located in the city of Dhaka, Chittagong, Khulna and Rajshahi, all in Bangladesh. Primary data were collected for this study through a detailed survey questionnaire that was distributed to respondents. The respondents were chosen using convenience sampling method from four major districts of Bangladesh: Dhaka, Chittagong, Khulna and Rajshahi. The questionnaire was distributed to 850 employees working at 341 different SMEs. To test the relationships between the independent and dependent variables, Pearson’s correlation coefficient technique and linear regression analysis were used. The result of the tests revealed that the use of AIS has a significant positive effect the performance of the selected SMEs.

Baker and Iskandar (2019) determined the relationship between accounting information system and financial performance of Jordanian companies. Survey descriptive research design was adopted in the study. The primary data that were utilized were sourced from the distribution of questionnaires to the respondents. Accounting Information System was measured by the timeliness and reliability in the AIS. The study sample consisted of 85 from these Jordanian companies. This study analyzes the data using multiple regression analysis in (SPSS) program. The results revealed a statistically significant relationship between AIS and financial performance of firms when mediated by acceptance of using AIS at the significance level ($P \leq 0.05$).

Al-Dalaien and Khan (2018) examined the impact of accounting information system on the financial performance of selected real estate companies in Jordan. The study deployed survey descriptive research design. The population of this study consisted of all employees working in selected five companies. Quota sampling was applied to collect data from selected employees. The sample size of the study was 175 employees who work full time for the selected organisations. The primary data that were collected for the study were sourced from the questionnaires that were distributed to the respondents. The study deployed linear regression analysis to test the hypotheses of the study. The findings indicated that accounting information system has a statistically significant effect on the financial performance in the company under study.

Akanbi and Adewoye (2018) examined the effect of adopting AIS on the financial performance of commercial banks in Nigeria. The study was carried out in Lekki Peninsula Area of Lagos Sate, Nigeria. 16 commercial banks present in this area of study were examined with 80 respondents randomly selected from each bank. The study deployed survey descriptive research design to source primary data for the study. Questionnaires were administered to these respondents in order to know about AIS adoption and the level of adoption among these banks. Return on Capital Equity (ROCE), Return on Total Asset (ROTA), Net operating Profit (NOP) and Gross Profit Margin (GPM) data were sourced from financial reports within the recent 10 years post AIS adoption years (2007-2017) of the selected commercial banks. Cronbach's alpha test was used to measure the stability of measurement tool and also simple linear regression test was also used to test the impact of AIS on bank performance. The findings indicated that AIS adoption has a positive significant effect on all the performance indicators (ROCE, ROTA, GPM and NOP) with $\alpha<0.05$.

Omar and Dalayeen (2018) ascertained the effect of accounting information system on the profitability of selected commercial banks in Jordan. The population of this study consists of all employees working in selected banks. Convenience sampling was applied to collect data from selected employees. The sample size of the study is 206. Descriptive survey design was deployed in the study. The sample size of the study was two hundred and six. Primary data was collected through self-administered questionnaires that were distributed to 206 employees. The data that were collected were analyzed with the application of linear regression technique. The findings of the analysis revealed that accounting information system significantly affects the profitability of the selected banks.

Beg (2018) studied the effect of accounting information system on the financial performance of ten major Indian FMCG companies. Guided by descriptive survey research design, a self-administered questionnaire that was designed on five point Likert scale was used to collect primary data for the study. The population of the study included all employees working in all the 10 FMCG companies in India. Judgmental sampling was applied to arrive at the sample size of 283 employees. Simple linear regression was applied in testing the hypotheses of the study. The result of the analysis revealed that accounting information system has a statistically significant effect on the financial performance of ten major Indian FMCG companies.

Adenike and Adewoye (2018) examined investment in accounting information system and its effect on sales growth of Nigeria Small and Medium Enterprises (SMEs). Deploying a descriptive survey research design, a total of 120 questionnaires were administered to the management staff of each selected Small and Medium Enterprise (SME) in Lagos State, Nigeria. Both descriptive and inferential statistics were employed for the study. The descriptive statistics employed included percentage frequency and charts to achieve the study objectives. The inferential statistics employed was multiple regression analysis while ANOVA was used to examine the relationship between investment in accounting information system and sales growth. Findings revealed that AIS investment, non AIS labor and AIS labor accounted for 82% of the variation in sale growth in the study area and that there is a relationship between investment in accounting information system and sale growth.

Alnajjar (2017) analyze the impact of accounting information system on performance management and financial performance of selected SMEs in the United Arab Emirates. This study utilized descriptive research design to carry out the analysis. Primary data were collected from 74 SMEs related to the trading, services and manufacturing sectors in the UAE. SPSS and AMOS were used in calculating regression analysis. Specifically, structural equation modeling was applied in the statistical data analysis. Based on the results of the analysis, it was revealed that accounting information systems has a statistically significantly and positive impact on both performance management and financial performance of the selected Small and Medium scale Enterprises in the United Arab Emirates.

Teru, Idoku and Ndeyati (2017) examined the effect of accounting information system on the internal control system and financial performance of firms in Nigeria. The study adopted an exploratory research design. Primary data for the study were sourced from the review of both conceptual and empirical foundations of relevant literature. The primary data that were collected were still subjected to analysis using the thematic approach of data analysis. The result of the analysis revealed that accounting information system has a statistical significant effect on the internal control system of firms. The study also indicated that accounting information system significantly and positively affects the financial performance of firms in Nigeria.

Alawaqleh and Al-Sohaimat (2017) ascertained the relationship between accounting information system and the investment decision-making in the industrial companies listed in the Saudi Stock Market. The proxies of AIS were 4 characteristics of the accounting information systems including: appropriateness and reliability, comparability and understanding, and renovation, and maintenance of the hardware and software. The study tilted on the paths of descriptive survey research design. In order to achieve the objectives of this study, questionnaires were administered to 194 people representing the study population and sample. The multiple regression (standard regression) technique was used to test the study hypotheses. In general, all variables were positively and significantly related with the investment decision-making. The findings of this study also showed that the independent variables explained more than 65% of the variance in investment decision-making.

Fitrios (2016) determined the effect of top management commitment and user training on the implementation of accounting information systems. The units of analysis of this study comprised all the 42 type A, B and C hospitals in the province of Riau, Indomesia. The research methodology used was survey method. Primary data were as well deployed in conducting the study. Structured questionnaires were used as a tool for collecting data. Likert scale was used to measure the questionnaire answers from respondents. The hypotheses of the study were tested using regression model. The results of the tests revealed that the commitment of top management and user training simultaneously affect accounting information system implementation significantly with a significance value of less than 0.05.

Afende (2016) conducted a study to assess the impact of Accounting Information Systems (AIS) on reporting quality and to identify any gaps in previous research. He utilized a thematic analysis on a review of related literature to make inferential conclusions. The study found that prior research on the effect of AIS on reporting quality was limited and yielded positive results.

Khaled and Abdulqawi (2015) investigated the role of AIS in improving the value chain of business organizations. Using a questionnaire and statistical analysis techniques (arithmetic mean, standard deviation, and one sample T-test), they found a lack of basic components and quality of accounting information in public shareholding industrial companies in the Kingdom of Bahrain.

Muhindo, Mzuza, and Zhuo (2014) explored the relationship between AIS and profitability in small and medium scale enterprises in Kampala city, Uganda. The researchers utilized a descriptive research design and qualitative primary data, as well as secondary data, to analyze the impact of AIS on profitability. The data was analyzed using regression analysis and the findings showed that the lack of use of AIS led to low profits in small scale businesses

3.0 Conclusion and Recommendations

AIS is principally considered to, for all intents and purposes, be a sort of an information system that supports respective managers in executing their managerial tasks which revolves around financial planning, organizing, controlling and financial decision-making – the ultimate end is certainly to better maximize the value of existing resources. This study concludes that timeliness of accounting information, accuracy of accounting information and reliability of accounting information are critical success factors of AIS which enhance the financial management operations of firms. In line with the findings of this study, the following recommendations were made.

1. Managers of every transport company should develop its own AIS in line with the nature and scope of the firm's operation so as to produce accounting information that are accurate.

2. The Information System Experts of transport companies should streamline their AIS structure in a way that the system should produce financial information that uses the most proper disclosure method to prudently represent estimates and uncertainties.

3. Owners of transportation companies should see the need to ensure that an effective AIS is installed in their companies in order to enable the firms produce accounting information on time to meet the urgent financial information needs of investors, customers, owners, managers, etc.

References

Abbas, J., A., Hanoon, R., Ageeb, H. & Idan, H. (2020). Impact of Accounting Information System on Financial Performance with the Moderating Role of Internal Control in Iraqi Industrial Companies: An Analytical Study. *Jour of Advance Research in Dynamical & Control Systems, 12*(8), 246-261.

Adenike, T. A. & Adewoye, J. O. (2018). Investment in accounting information system and sales growth: An investigation of Nigeria small and medium enterprise. *Journal of Accounting and Taxation, 10*(6), 71-77.

Afende, T. R. (2016). Effect of Accounting Information System on Financial Reporting Quality: A Review of Theories and Empirical Works. Unpublished Research Project Submitted to University of Agriculture Makurdi.

Ahamed, A., Al-Fawaz, K., Al-dmour, R. & Allozi, (2017). Accounting Information System and Its Role on Business Performance: A Theoretical Study. *Journal of Management and Strategy, 8*(4), 79-87.

Ahmad, M. & Al-Shbiel, S. (2019). The Effect of Accounting Information System on Organizational Performance in Jordanian Industrial SMEs: The Mediating Role of Knowledge Management. *International Journal of Business and Social Science, 10*(3), 99-104.

Akanbi, T. A. & Adewoye, J. O. (2018). Effects of Accounting Information System Adoption on the Financial Performance of Commercial Bank in Nigeria. *Journal of Accounting and Marketing*, *7*(3), 1-6.

Alawaqleh, Q. & Al-Sohaimat, M. (2017). The Relationship between Accounting Information Systems and Making Investment Decisions in the Industrial Companies Listed in the Saudi Stock Market. *International Business Research*, *10*(6), 199-211.

Al-Dalaien, B. & Khan, N. (2018). Effect of Accounting Information System on Financial Performance: A Study of Selected Real Estate Companies in Jordan. *International Journal of Current Engineering and Scientific Research, 5*(1), 41-50.

Al-Delawi, A. S. & Ramo, W. M. (2020). The Impact of Accounting Information System on Performance Management. *Polish Journal of Management Studies*, *21*(2), 36-46.

Ali, A. & Mohd, A. (2020). A Conceptual Model of E- accounting: Mediating effect of Internal Control System on the Relationship Between E- accounting and the Performance in the Small and Medium Enterprises. *TEST Engineering & Management, 8*(3), 23733 – 23750.

Alnajjar, M. (2017). Impact of Accounting Information System on Organizational Performance: A Study of SMEs in the UAE. *Accounting, Organizations and Society*, 22(4), 293-314.

Amos, I. G. & Ivungu, J. A. (2019). Effect of Accounting Information System on Financial Performance of Firms: A Review of Literature. *Journal of Business and Management, 21*(5), 39-49.

Baker, A. & Iskandar, T. B. (2019). The Mediating Effect of Acceptance of Using AIS on the Relationship between the Accounting Information Systems and Financial Performance in Jordanian Companies. *International Journal of Research and Innovation in Social Science, 3*(6), 256-263.

Barney, J. (1991). Firm Resources and Sustained Competitive Advantage. Journal of Management, 17(1), 99–120.

Barney, J., & Clark, D. (2007). Resource-Based Theory: Creating and Sustaining Competitive Advantage. Oxford: Oxford University Press.

Beg, K. (2018). Impact of Accounting Information System on the Financial Performance of Selected FMCG Companies. *Asian Journal of Applied Science and Technology, 2*(3), 8-17.

Cragg, P., Caldeira, M., & Ward, J. (2011). Organizational information systems competences in small and medium-sized enterprises. Information & Management, 48(8), 353-363.

Davoren, J. (2019). The Three Fundamental Roles of Information Systems in Business. Retrieved from Hearst Newspapers, LLC: Retrieved April 9, 2019, from https://smallbusiness.chron.com/three-fundamental-roles-information-systems-business-23681.html.

Fitrios, R. (2016) Factors That Influence Accounting Information System Implementation And Accounting Information Quality. *International Journal of Scientific & Technology Research*, *5*(4), 192-198.

Hanoon, R. N., Rapani, N. H. A. & Khalid, A.A. (2020). The correlation between internal control components and the financial performance of iraqi banks a literature review. *Journal of Advanced Research in Dynamical and Control Systems,* 12(4), 957–966.

Hosain, M., H. (2019). The Impact of Accounting Information System on Organizational Performance: Evidence from Bangladeshi Small & Medium Enterprises. *Journal of Asian Business Strategy,* 9(2), 133-147.

Kamara, F. (2020). The Impact of the Effectiveness of Accounting Information Systems on Operational Performance in Public Listed Industrial Companies in Jordan. *Journal of Social Sciences, 5*(3), 263-276.

Manchilot, T. (2019). Science Journal of Business and Management. A Review on Determinants of Accounting Information System Adoption, 7(1), 17-22.

Meiryani, I., Suzan, L., Tsudrajat, J. & Daud, Z. (2020). Accounting information systems as a critical success factor for increased quality of accounting information. *Espacious, 41*(15), 2-8.

Napitupulu, I.H. (2018). Organizational culture in management accounting information system: Survey on state-owned enterprises (SOEs) Indonesia. *Global Business Review*, *19*, 556-571.

Nguyen, H. T. & Nguyen, A. H. (2020). Determinants of accounting information systems quality: Empirical evidence from Vietnam. *Accounting, 6*(2020), 185-198.

Nworie, G. O. & Oguejiofor, B. C. (2023). Management Information System and Performance of Cement Firms in Southeast Nigeria. *International Journal of Accounting and Management Information Systems*, *1*(1), 1–15. https://doi.org/10.35912/ijamis.v1i1.1366

Nworie, G. O., Okafor, T. G. & John-Akamelu, C. R. (2023). Firm-Level Traits and the Adoption of Computerised Accounting Information System among Listed Manufacturing Firms in Nigeria. *Journal of Global Accounting, 8*(3).

Okour, S. M. (2016). The Impact of The Effectiveness of Accounting Information Systems on Operational Performance in Public Listed Industrial Companies in Jordan. *Journal of Social Sciences (COES&RJ-JSS), 5*(3), 263-276.

Omar, A. & Dalayeen, B. (2018). Investigating the Impact of Accounting Information System on the Profitability of Jordanian Banks. *Research Journal of Finance and Accounting, 9*(18), 110-118.

Rosa, D. & Purfini, A. (2019). Analysis Effect Quality of Accounting Information Systems to Support Company Performance. *IOP Conference Series: Materials Science and Engineering, 662*(2019), 1-8.

Saeidi, H. (2014). Impact of accounting information systems (AIS) on organizational performance: A case study of TATA consultancy services (TCS)-India. *Uct Journal of Management and Accounting Studies*, 3(1), 54–60.

Samer, M. (2016). The Impact of The Effectiveness of Accounting Information Systems on Operational Performance in Public Listed Industrial Companies in Jordan. Journal of Social Sciences, 5(3), 263-276.

Srivastava, P. & Lognathan, M. (2016). Impact of accounting information for management decision making. *International Journal of Applied Research, 2*(5), 171-174.

Teru, S., Idoku, I. & Ndeyati, J. (2017). A Review of the Impact of Accounting Information System for Effective Internal Control on Firm Performance. *Indian Journal of Finance and Banking, 1*(2), 52-59.