
INFORMATION TECHNOLOGY'S ROLE IN ENHANCING FINANCIAL REPORT TRANSPARENCY

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Abstract

Hardware, equipment, software, and database are among the significant factors influencing accounting and AIS – related activities in the economic units in general because the information that these tools supply is suitable and quick; thereby contributing to the efficient and timely accomplishment of operations in these units. Besides, the diffusion of IT and its constant evolution day by day has resulted in a continuous and fast pace of changing the technology of collecting, entering, processing, and preparing high-quality financial reports (outputs) which in turn have contributed towards achieving the objective of transparency in the financial reports. Much attention should be paid to the contribution of information technology for enhancing the recognizability of the financial reports. Specifically, to meet the objectives and the hypothesis of the research, 50 questionnaires were recovered from the participants who seemed interested in financial report and information technology. The following conclusions have been made in this study; arguably the most vital conclusion is that information technology being dynamic in its application helps in providing financial report transparent. Other fields of accounting have also undergone integration with information technology in some ways and for instance one of them is the reporting of financial information. The following conclusions were made: It is necessary to conduct training courses for accountants and other employees of accounting and finance departments in economic units with reference to modern educational achievements of the field of information technology, including references to accounting work; Interest in the creation of appropriate conditions for the development of the field of information technology.

Keywords: Information technology, financial reports, transparency of financial reports.

Introduction

When considering the current business context, it is important to point out that Information Technology (IT) is one of the means to enhance reliability of financial reports. Business

entity financial operations accountability to ensure that business entity financial statements are comprehensible, correct, and available for use is a critical element through which investor, regulatory, and public confidence can be obtained. The present section provides Information Technology as a key enabler of this transparency, given that it supports the timeliness, quality and accessibility of financial information. Through them, they have instigated a lot of transformations that have marked a new reality because of development in information technology. It was found that most of the economic units have incorporated information technology into their daily business operations, particularly in their core operations dealing with planning systems. Some of the financial tasks which can be facilitated by IT include collection of information, transactions and report preparation. It lowers the likelihood of development of interference from the human being and mistakes, at the same time guaranteeing that the collection and reporting of the financial transactions are correct (Romney & Steinbart, 2018). Manufacturing Management Systems (MMS), for instance, co-ordinate all manufacturing information from different departments to provide a correct manufacturing perspective (Hitt et al., 2002). Information technology is regarded as one of the effective instruments for releasing the financial information presented in the financial reports in order to improve the transparency and quality in the reports and adopt the same reports in the same form, content and within the same period of time for the maximum number of beneficiaries. Technological tools that an IT department employs include and often involves the use of financial applications, data analysis tools, and others that help improve on the credibility of information in financial reports. These tools assist in evaluating the information gathered in actual time in order that any deviation could be detected and rectified immediately. This is why the approach that has been utilized in applying the rules of accounting is considered to have boosted reliability of the financial statements (Davenport, 2013). It has also proved helpful to increase the extent of availability and accessibility of the required information. The IT solutions also support accountability and fiduciary responsibility in the other compliance with the financial reporting standards and the requirements. Automated audit trails, electronic documentation also reduces the difficulties of the auditing process, as well as increase the credibility of the financial reports (Kogan, Lin, & Wu, 2015).

Likewise, the data analytics and visualization tools are used to analyse numerous and complex financial data to facilitate the stakeholders' ability to assess the financial activities. Information products that include graphic features such as the use of dashboards and graphical reports is a convenient way of presenting financial statements (Chen, Chiang, & Storey, 2012). To obtain the specific merits to be derived from financial reports, it is necessary to have the framework and facilities to utilize the internet in the dissemination of the information that may be found in financial reports as well as to refine this function to optimize report quality.

With the help of emergence of information technology it has been possible to process a huge amount of data and has delivered top management reports promptly and accurately to do their job and give appropriate advice to make right and efficient decisions. In this way it enhances and evolves the strategic performance of the economic units. Hence, it is the

purpose of this research to assess the role that information technology plays towards enhancing transparency in financial reports.

First: Research Methodology

1. Research Problem

The research problem emerges from the integration of information technology and the context of financial report transparency. Consequently, the research focuses on the problem of enhancing the possibility of transparent financial reports with the use of information technology.

2. Research Objectives

1. Explain what is meant by informational technology and analyse current tendencies regarding this notion.
2. Understanding what is meant by the financial report transparency, why it is significant and what marks it.
3. In order to explain why information technology is important in increasing the transparency of the financial reports.
4. Establishing the relationship between information technology and the extent of financial reports transparency.

3. Research Importance

1. Explaining how information technology has enhanced the increase issue and the improvement of the financial reports.
2. Marketing the initiatives to increase the level of transparency and to improve the reliability of financial statements.
3. Seeking to find out the type of relationship between IT and financial report transparency.
4. Stressing the practical use of information technology with regard to the quality and transparency of financial information.
5. Providing example as to how information technology fostered time, cost and accuracy improvements in the improvement and quality of the financial reports.

1. Research Hypothesis

This study is based on the primary hypothesis: The meaning of information technologies with reference to increasing the level of transparency of financial reports.

2. **Data Collection Methods** Sources for conducting the research included books, theses, dissertations, and Internet sources in order to fulfill the objectives of the research. For the practical aspect, descriptive research approach was employed because it was used to investigate the phenomenon, gain information and factual details about it.

Second: Theoretical Aspect

1. **Information Technology** Information technology with more elaborate tools is very crucial. Maybe, there is no invention which has changed people's lives after the Industrial Revolution more than information technology which has significant roles in the lives of people, companies, and States. Technological revolution is now permeating the world

together with revolutionary changes in the aspects of computers and operating systems, communication instruments and media. This huge amount of information growing and transferring easily and smoothly contributes to the making of changes in the processes themselves. This integration has made information technology an indispensable part of these processes, allowing small businesses to set up information channels with all participants and offering enough adaptability in the event of modifications to these processes or external conditions. IT in general definition is a concept that can be understood as the utilization of technologies in the improvement of the acquisition, processing, transmitting or storing of information.

Information and communication technology or ICT is a comparatively new term that relates to data gathering, analysis, storage, up-gradation and retrieval. However, the meaning of this concept has not been well defined and has not undergone standardization at all, and some scholars and specialists have identified this concept as equivalent to management information systems. (Shahada, 2012).

However, it is important to point out that there is no universally or locally accepted scientific or practical definition of IT as a result of the different environments and several types of businesses that information technology breeds. While it involves the use of computers in every aspect of its operations, some consider it as just implementing computer technology.

- A suite of tools in form of equipment and devices that can be manipulated in the area of Information & Knowledge with the aid of full skills & expertise needed to arrive at solutions.
- Methods and mechanisms that enable delivery of information to beneficiaries without any hassle, in the shortest possible time and with least effort.
- Computer technology that uses computers among other sophisticated tools that are used to process data that was obtained so as to achieve speed in the following activities processing, storage and retrieval, and converting the data into valuable information that may be of use in decision making at the right time. es on computers at all stages, some view its use as merely employing computer technology. (Jumaa, 2011)

Here are some key definitions related to information technology:

- A set of technologies that includes tools, equipment, and devices that can be handled with expertise and skill to obtain solutions in the field of information and knowledge production. (Al-Tai, 2010)
 - Systems and devices that rely on modern technology to deliver information to beneficiaries with minimal effort, in the fastest time, and by the easiest means. (Al-Mutairi, 2013)
 - Technology that relies on computers and other advanced means to process data obtained in order to achieve speed in processing, storing, retrieving, and converting it into reliable information for decision-making at the right time. (Zaqout, 2016)
- A few of the reasons why information technology is important include the following: Before understanding the importance of information technology in various fields and activities, it is necessary to recognize the fundamental needs for the existence of information technology as follows: (Carlin and Stewart, 2014)

1. Necessity of different companies in the information age to embrace information technology.

2. An application of information technology to enhance the availability and execution of services and production.
3. How information technology has influenced the success in various activities and employment fields.
4. Implementing specified economic unit managements and safeguarding their properties.
5. If the public is to be more engaged then there will be a need for more information.
6. The accuracy and completeness of records and the preparation of financial statements.

1.Aspects In Appropriate Use of Information Technology

The use of information technology can be translated into the following elements: (Kreishan, 2013)

1. Accuracy of Information Used: This means exactly the ratio of right information to the total information which is being produced in a given time interval. It also shows how much information corresponds with reality. If the information is wrong then it just misdirects those in charge and is not a factor into the consideration of the decision.

2. Suitability of the Software Used: The computer today has become part and parcel of the society's life and cannot be done without. A greater number of firms depend on computer systems and software to work as the systems have efficient measures for retrieving numerous organizational gains because of their precision, quickness, and capability to execute operations.

3. Users' Knowledge of Computer Systems and Software: For every employee in an organisation, it is important to have knowledge in modern information technology and communication methods in order to deal with typical hindrances.

Be aware of the new generation technological practices and means of communication.

Have the ability to work with modern technological methods.

For the improvement of individual experiences and knowledge on updated technologies.

Promotes centered and shared communication within employees.

Enhances efficiency of activities and operations delegated to a person or organization.

Offers ability to effectively and efficiently use modern information technology instruments.

In technology, the following elements may be translated (Kreishan, 2013):

1. Information Accuracy being Used: The information accuracy-a ratio of the correct information obtained to the total information supplied in any historic time-period and information accuracy is how accurately information represents reality. If the information is not correct, this will mislead each decision-maker and will not 'help' the decision-maker.

2. Suitability of the Computer Software in Use: Computers have become important parts of modern life, which are vital and unavoidable. Organizations have become more reliant on computer systems and their software to do this work. Because these systems have useful performance indicators, which can achieve a number of organizational advantages based on their accuracy, speed, and efficiency to perform the operation.

3. Users Knowledge of the Computer Systems and Software: The need for getting the familiarity of current devices and methods to facilitate information exchange and

communicate better is important for employees in organizations and an obstacle to development may be steep. Users/Employees must;

- Be at least aware of current methods of technology and tools for communication
- Have the ability to work with some current methods of technology
- Must take on to self-improve and keep updated on current technological trends. For those employees that show an aptitude to display interests in communication technology will more than likely be very valuable to organizations in ways;
- Provide conduit for employees to engage information exchange.
- Assist with speed and accuracy for each employee to efficiently complete responsibilities, tasks, and systems functions.
- Provide users familiarization and proficiency use of current information technology.

Information Technology

Infrastructure for U.S. Higher Education Institutions Information technology can be defined as a compilation of information and data in computer and communications as parts of this tool. The infrastructure of information technology consists of the following elements: (Al-Dalahmeh, 2008)

1. Data: This is the first fundamental elements that must be set before the creation of any kind of ground to actually help develop the notion in question.
2. Hardware: Objects and implements used computing and storage of information through computers.
3. Software: Enables manipulation, and calculations of data, yields the desired results.
4. Communications: Contribute as intermediaries from the development of the above-mentioned infrastructure components and are the result of it.
5. Transport: Aids in the dispersal of data and the outcome of its assessment.
6. Networks: The result of development in the field of communication and technology with special reference to remote communications.
7. Internet: The last item of information technology infrastructure.

Challenges and Threats of Information Technology

Among the various risks associated with the use of information technology in organizations, they can be categorized as follows (Dallameh, 2008):

1. Human Errors: These errors can occur during the preparation and design phases of an accounting information system; communication channels; computer systems operating accounting information systems; programming; systems testing and trial; data entry; data processing; and data retrieval. These errors make up a very large component of questions associated to the safety of computerized accounting information systems in organizations.
2. Computer Crimes: Such crimes may come from insiders or from outsiders who compromise the accounting information systems either through the use of computers or other means of communication. Elements of Information Technology It can be summarized that the components of Information technology is a blend of people and technology with information flow that takes specific form or application. These components include:
 1. Hardware and Software: Hardware possessions are all apparatus used in converting data to active and useful form in computers of different types, peripherals, work stations, the

networks, transport media, and storage media among others. Software components include helper AL instructions developed by programmer or a user, to the computer system on how it is supposed to perform certain functions. In summary, hardware components are categorized into four main tools: input, process, output, and storage. 2.Human Resources: People are the last and the most essential component in the information technology system and can be classified as follows:

- End Users: Most of the people, who take application programs as users benefiting from it without having to understand procedures the programs undergo.
- Computer Specialists: Computer scientists and programmers, who create computers and develop different application programs as well as system programs.

Communication Networks: These are the channel employed in transferring of data and information between two individuals or organization. It comprises a number of stations situated in various locations and connected with media by means of which transmission and reception operations can be performed. Communication networks are one of the immense collections of documents in textual form is on the internet.

1.Databases: These are places where data, topics as well as systematically arranged and correlated files are archived. They disaggregate all the operations and events within an organization by fine detail and are filed in magnetic computer media which are distinct from the programs that work with and require these data.

Functions of IT Information technology encompasses a range of functions derived from the aforementioned components, which can be summarized in the following basic processes (Anderson & Post, 2000:122; Younis, 2007:25):

1. Data Collection: This is the first one of the functions offered by information technology due to collection and compilation of the information. The acquisition is the process of gathering information about the activities of an organization as well as information on events in its external environment, and making the information ready for processing by inputting, recording and modifying it. People may write this data on paper and this data can also be directly typed into the computer, and it is necessary to point that accuracy and quality of typed data are very important for achieving the same high quality of system results.

2. Processing: This is a process whereby several forms of arithmetic or logical operations are made on data with a view of changing the data into information. It comprises converting, manipulating and combining data or information of various types, including data processing, word processing, document processing ranging from report, news to correspondence as well as image and sound processing.

3. Storage: Storage of information is the key component of information systems. Storage entails arranging data and information in a particular manner to ensure that the user of the data can access it whenever the information is required. It supports computers to store data and information for future depending on the storage capacity.

4.Transmission: Transmission of information from one place to another through several branches of media is referred to as telecommunication.

Second: Financial reporting is a critical area where transparency has been observed in the contextual meaning by organizations.

Transparency is a crucial element in developing financial reports for a global audience. Raising the level of transparency of the financial reports - whether that report is for internal or external use - is a key element in regenerating market confidence in financial information that is consistent, balanced and that is of high quality.

Accurate information that also ensures that the reports meet the rich, relevant, objective, and comprehensive standards is also important to managements. This awareness will help an investor to identify a company's expenses and how it intends to fund them, as well as help an audit or review committee (even if working for a financial services company) and all audit or review committees in general, in understanding how some financial catastrophe may complicate a company's risk factor.

The advantages of financial reporting involving external parties is significant for both public and private organizations, non-profit organizations, and government organizations whether for internal and external purpose. Raising the substantive values of reporting to better fit the current market pressures has developed into a worldwide trend. Meaning of financial reporting transparency

Transparency According to diverse theorists. Some define it as "when the information disclosed is clear and easily accessible in the markets" (Clare et al., 2005: Some define it as "providing more and accurate information on performance, financial health, investment, opportunities, achieved values, and risks" (Burcu et al., op. cit., p. 321- 322), while others view it as "the extended access to relevant information about performance, financial records, investments, achieved value and risks" (Cao,Router, p. 612-613).

Some, for instance Mohammadi and Nezhad, believe that transparency refer to the availability of information (2015, p. 60); on the other hand, Ghoniem has defined transparency as "deliberate and voluntary process of sharing information for purposes of efficiency and relative stability of the stock market" {Sami, 2015, p. 355}.

From these definitions, it becomes apparent as to why transparency is the antithesis of financial corruption. Many bankrupt companies use financial corruption as an alternative to disguise actual financial status, as well as poor performance, thus incurring major losses to individuals, investors, employees and the society. Therefore, transparency constitutes one of the most important values of corporate governance.

Role of Accounting-Importance of Transparency in Financial

Reporting Truthful sparse disclosure is a basic principle concerning the presentation of actual and factual information on the state of affairs of a business entity. It has an important social responsibility of ensuring confidence of investors, creditors, employees, and the public. Using accurate and detailed information enhances the organizational financial transparency, making it easier for the stakeholders to make right decisions from right information. Regarding the use of financial reports from the investor's point of view, it may be noted that the financial reports have to be transparent in order to make an evaluation of the financial status of any organisation and its performance. Financial statements are used by investors to assess the profitability, the liquidity and the solvency of an organisation

before investing in it. There are corresponding hazards and potential losses with regard to opaque reports for investors.

Likewise, creditors wholly rely on financial statements to evaluate the credit position of an organization. To be able to decide whether a borrower can pay back the money, the lenders require credible financial information. The unconsolidated reports enable the creditors to have a clear picture on the company's financial health and enable them arrive at the right interest rate and repayment terms. Workers also stand to gain from prepared and presented clear financial statements since this gives them information about the solvency of their employer. Accuracy of information helps the employees get insight of the total performance, profit making capability and capacity to generate job. This knowledge can foster improved employee and employer relations and results in high levels of productivity and organizational commitment.

In addition, accurate disclosure of the company's financial performance allows preserving confidence in its operations. In the light of such social fraud and business failures, integrated reports are a way of regaining confidence. Reporting full and accurate financial statements when used also show organisations compliance with ethical practices and proper governance. To further explore the importance of transparency in financial reporting, here are some key points:

1. **Enhanced Decision-Making:** Specifically, clear and understandable financial reports can help stakeholders make better decisions using accurate data or give a specific picture of the company's financial position or future developments.

2. **Improved Access to Capital:** The work also found that firms that engage in transparent reporting are more likely to attract investors and hence secure the much needed capital. The audience is more willing to invest in organizations as it offers more comprehensive and reliable data on the financial position of the given organization.

3. **Regulatory Compliance:** Transparency of the financial position provides compliance with the existing accounting rules and procedures. The proper compliance with such reporting activities enables the firm to escape from legal complications, penalties, and even loss of reputation.

4. **Stakeholder Trust:** Account clarity is one of the ways through which trust is earned in the hearts of stakeholders because of the perceived honesty. (<https://fastercapital.com/arabpreneur>) Consequences of Supporting Financial Reporting Transparency In light of onset transparency, many prior works have considered the following support for financial reporting transparency. These implications include the following (Al-Ardi, 2021, pp. 520-523):

1. **Assisting in Reducing Information Asymmetry:** This leads to enhanced corporate transparency as a way of narrowing the information asymmetry between the company and its stake holders.

2. **Inability to Protect Shareholders:** In light of transparency, it might still be difficult to fully protect the interest of shareholders.

3. **Supporting Financial Performance:** For financial performance, integrated transparent financial reporting leads to better financial performance because of the availability of accurate and reliable information.

1. Supporting Management Accountability: Overall accountability is enhanced as it becomes easier to assess and therefore punish the management for their deeds.
2. Assisting in Informed Decision-Making: The presentation of accurate and detailed financial information help users make appropriate decisions.
3. Reducing Cost of Capital: The analysis showed that transparent reporting decreases the cost of capital due to the decrease of uncertainty and risk for investors and creditors. Transparency indicators are models that require organizations to be transparent as well. The field of financial reporting has many transparency indicators for increasing the level of financial report transparency. Below are some of the most widely recognized transparency indicators globally:

Transparency Indicators as Conveyed By the Various Professional Associations

1. International Centre for Financial Analysis and Research (CIFAR) Index: This index has been developed in 1995 and is composed of 85 subcomponents grouped into seven categories (Anna, 2017, p.157-175).

Table 1: Transparency indicators are CIFAR Institution.

1	General Information: 7 Elements	5	Shareholder Information: 18 Elements
2	Balance Sheet Information: 15 Elements	6	Cash Flow Information: 4 Elements
3	Income Statement Information: 11 Elements	7	Additional Information: 10 Elements
4	Accounting Policies Information: 20 Elements		

This index is among the leading indicators of the level of financial reporting transparency in the world. They include mandatory and voluntary disclosure elements of the business firm in its components.

1. German Business Administration Institute Index (VBR): Initiated by the German Business Administration Institute in 2002 formerly known as Value Based Reporting (VBR), this index consists of three hundred and seventy-eight points or factors. The VBR Index seeks to present value based non-financial information that would capture the non-valuation information between the market and book values and would offer performance metrics and drivers both from internal and external sources. The index is divided into four groups (Christine, P. op., 832 – 867).

Table 2: Global Transparency Indicators Created By (VBR) Institution.

1	Asset Valuation Information: 26 Points	3	Value Realization Information: 128 Points
2	Performance Evaluation Information: 84 Points	4	Future Performance Forecasts: 140 Points

GAS 15 published in 2005 requires German company to prepare management report including VBR indicator information.

1. Information Disclosure and Transparency Rating Index (IDTRS): It was created in 2003 by the Financial and Future Investment Institute with assistance of the Taiwan Stock Exchange (TSEC) and the GreTai Securities Market (GTSM) in Taiwan. At the moment both of these exchanges employed the index to analyse the degree of reporting and financial transparency of companies enlisted with them. The whole questionnaire is composed of one hundred and fourteen questions distributed in five categories (Li-chiuchi, op.cit., pp 11198-11203) (Chu et al., op.cit., pp 721-747).

Table 3: Transparency Indicators Developed by the (IDTRS) Institution

1	Questions on Compliance with Mandatory Disclosure Components: 12 Questions	4	Questions on Disclosure in Periodic Reports: 50 Questions
2	Questions on Timing of Information Provision: 27 Questions	5	Questions on Disclosure on the Company's Website: 20 Questions
3	Questions on Disclosure of Financial Forecasts: 5 Questions		

Since 2004, the companies listed in both exchanges have been evaluated using the metric to assess the information quality disclosed by the companies with -- completeness, clarity, transparency and reliability in the disclosed information ultimately evaluating the extent to which the governance framework is effective to the companies .

1. Transparency and Disclosure Index (T&D) It is an index designedd by Standard & Poor's in 2002. When developing the T&D index, Standard & Poor’s launched a program to improve communication of information publicly in relation to governance framework. The Index is comprised of ninety-eight criteria that are divided into three sections (Standard and Poor’s , op.cit, pp 1-29). Table 4 provides details and the Transparency Indicators, developed by the Standard & Poor's Institution.

1	Section One: Covers information about ownership structure and shareholder rights and consists of twenty-eight elements.	3	Section Three: Deals with information on the board structure and procedures and consists of thirty-five elements.
2	Section Two: Addresses information on financial transparency and disclosure and consists of thirty-five elements.		

This index is one of the most popular and frequently used in accounting literature in order to evaluate the transparency of financial reports.

Chapter 3:

Practical Aspect Statistical Analysis

This part explains the methods used in the study, the sample, instrument, study model and lastly the analytical techniques used in the analysis. Below is a description of the aforementioned elements:

1. Study Methodology Because the nature of information to be compiled was descriptive, the method used was of the same category. The descriptive research method is appropriate for the study since it investigates and measures various factors, and their association.
2. Study Population Consequently, the study population is made up of university professors and graduates in the accounting department with professionalism.
3. Study Sample The study targeted 50 graduates, and the samples were selected randomly.

Table (5) shows the distribution of the study sample members as per the characteristics of the study sample.

Variables	Levels of the Variable	Frequency	Percentage
Current Position	Academic	%60	30
	Professional	%40	20
Educational Attainment	PhD	%50	25
	Master's	%20	10
	Bachelor's	%30	15
Years of Experience	5 years or less	%20	10
	10 years	%20	10
	15 years	%20	10
	20 years	%40	20

4. Study Evidence

In addition, strategic objectives of the research to determine the impact of information technology on financial information disclosure and transparency lead to the necessity to create this questionnaire: The first part of the questionnaire was dedicated to general information on the objects who took part in our research sample, it fully consisted from 16 questions and consisted of two main spheres: Part One -Information Technology Part Two- Accounting S.

5. Statistical procedures For appraising the study hypothesis; suitable statistical methods were applied for the data that was entered and processed. Section 1: Information Technology

Table 6: Chapter One of survey, the aspect of Information Technology

N	Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Standard Deviation
1	The infrastructure of information technology systems is highly flexible concerning the company's future needs.	25	10	-	10	5	3.8	0.103
2	Information technology systems in the organization are able to interact effectively and electronically with suppliers.	16	14	10	8	2	3.68	0.365
	The organization employs specialists in the field of information technology.	26	10	6	4	4	4	0.927

4	The organization fosters trust between the IT unit and the business unit.	12	14	10	10	4	4.3	0.374
5	IT staff are able to interpret business-related problems.	10	5	10	20	5	2.9	0.612
6	The organization's IT plan supports business strategies.	26	10	10	4	-	4.16	0.989
7	The organization relies on its experience in information technology for decision-making.	30	5	10	5	-	4.2	0.103
8	The organization trains its employees well in electronic business.	15	20	5	5	5	3.7	0.632
	Overall Average	20	22.25	7.63	8.25	3.13	4.63	0.749
	Total Average	42.25		7.63	11.38		3.07	0.155

According to the results of the present research, 42.25% of surveyed students assert to the statements while 7.63% percent is in the neutral zone and 11.38 percent stated nay to the statements presented. This is further supported by an overall mean of 3.07 and general standard deviation of 0.155. By using these items, the authors posited high level of endorsement by the sample members towards the statements about this variable. Validity of the IT infrastructure theory In this respect, the findings assure that the IT infrastructure is highly responsive to future requirements of the company, the organization has IT professionals and the IT plan is concomitant with business frameworks.

Area Two: Financial Reports Transparency

As earlier discussed, section Two of the survey focused on the level of transparency in financial reports transparency

N	Statement	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Standard Deviation
1	When transparency is attained, this results to more efficient living up of accounting information in financial reports, thus increasing resource allocation efficiency as well as increasing market discipline.	10	10	10	15	5	3.1	0.353
2	It can be thus concluded that true meaning of transparency is that detailed accounting information is reported in the financial statements enhancing the quality of such information.	15	10	10	5	-	3.1	0.57
3	It achieves transparency so that the management of the organization cannot be trading at the stock market while in possession of sensitive information that may help it make handsome profits than the other stakeholders.	20	10	10	8	2	3.76	0.648
4	Transparency assists in accurate information revealment and, therefore, no misleading or false data are spread in financial markets.	20	14	6	-	5	3.58	0.793

5	Transparently reduces corruption and in extension fosters the accrual of capital, investors and technology that embrace the advancement of economic growth.	18	14	8	8	2	3.76	0.616
6	Thus, when more information in the form of narratives is included about items included in the reports and statements of an organization, the efficiency of the capital market may be boosted.	20	15	10	5	-	4	0.559
7	Establishing transparency enhances the degree of confidence which the organization has with investors, lenders and any other stakeholders..	15	20	15	-	-	4	0.235
8	The concept of attaining enhanced financial reporting transparency should encompass current technology, the internet and other modes of communication.	25	10	5	5	5	3.9	0.774
9	Overall Average	17.87	12.87	9.25	5.75	2.37	3.65	0.504
10	Total Average	30.74		9.25	8.12		2.38	0.104

As we can see from the results of our research, such statement content is agreed with by 30,74 percent of participants in a sample; undecided on it are an average — 9.25 percent, while disagreed or strongly disagreed are only 8.12 percents. This is proven correct by the average 2.38 result and the standard deviation of 0.104 Based on this sample, the percentage of agreement to statement group related to this variable is a medium one. The findings also that transparency implies release of accounting information by organizations in their financial statements which performance quality improves consequently. In addition, transforming financial reporting information into transparency ought to exploit contemporary informational technological tools such as the internet and innovation in communication technologies when necessary. Transparency is also a contributing factor when it comes to dealing with and possibly dodging corruption leading it into an integral asset in luring capital, investor, technology hence growth.

Using a statistical result drawn from the research sample for statistical outcomes it can be seen that IT has a significant relationship with financial report transparency. That is, information technology plays significant role in the financial report transparency discovering the potential advantages of it improving against financial report transparency. There are finally some conclusions and recommendations regarding other sections of the paper.

First: Conclusions

1.IT is one of the fields that has undergone constant growth in the recent past. This attention is increasing because IT is now playing a greater role, having a greater influence, and is linked to nearly all sectors of society and business. Information Technology has two main characteristics: First, it is Practical, and Second, it is Epistemological. This is due to orientation towards the frontiers of science where IT forms one of the basal structural members.

2. The intrinsic characteristic of IT implies continuity of change, and thus results in attaining financial report transparency.

3. IT with its various uses has become powerful in many areas of accounting among them being the aspect of financial report transparency.

4. The proposed components of the transparency index correspond to the necessary means to achieve what investors of today deem crucial. Much emphasis should not only be placed on the decrease in the amount but, on the quality, efficiency, comprehensiveness, and clarity of the disclosed information.

Second: Recommendations

1. Increase the use of electronic communication as opposed to conventional methods in order to get data as early as possible.

2. Organization of meetings with accountants and financial officers of economic departments to discuss innovations in IT, especially those affecting accounting activities, at least once a year.

3. They have been geared mainly towards providing adequate physical backing to the information technology industry.

4. The significance of including the proposed transparency index into the list of requirements for correct, adequate and transparent corporate governance is also confirmed by the level of transparency of financial statements and the positive effect on the protection of shareholders.

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