# The quality of accounting information and its impact on the financial stumbling in industrial companies in the northern region and accounting information systems a moderating variable

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The study is extracted from a master's thesis entitled The modified impact of accounting information systems on the relationship between quality of accounting information and the financial stumbling in industrial companies in the northern region, presented by the student Laith Daradkeh and under the supervision of Dr. Haider Bani Atta, discussed and approved on 12/6/2021

**Abstract:**

The study aimed to clarify the quality of accounting information and its impact on the financial stumbling in industrial companies in the northern region, and the impact of accounting information systems in modifying the relationship between them. To achieve the objectives of the study, the researchers used the descriptive analytical method. The study population consisted of financial managers working and accountants in the accounting departments of industrial companies in the northern region, which number 157 industrial companies, according to the website of the Industrial Cities Corporation (2021), in addition to the external auditors. And the study sample consisted of (152) individuals from the study community, and after conducting the statistical analysis, the results showed that the level of the basic characteristics of accounting information in industrial companies in the northern region came to an average, and that there is a statistically significant impact at the significance level ($\alpha \leq 0.05$) for the impact of information systems Accounting on the relationship between quality of accounting information and the financial stumbling in industrial companies in the northern region.

Keywords: accounting information systems, the quality of accounting information, industrial companies in the northern region, financial stumbling.

**Introduction:**

Technology continues to cast a shadow over contemporary life in all its fields. The great acceleration in the transfer of knowledge and its frequency and addition to it led to an overwhelming flow of knowledge that did not leave any aspect of life unchanged, and one of the most important sectors that received its share of this change was the economic sector with all its classifications, derivations and sciences Technological development has transferred economic

practices from the simple applied dimension at the level of the facility and its offices to the expansionist dimension towards the world and its broad economic practices. One of the most prominent changes that affected the science of accounting was the emergence of the concept (accounting information systems), which transferred the science of accounting a qualitative leap that took it out of the simple manual application phase as represented in general bookkeeping and recording of the financial movements of the facility to the stage of specialized quantitative and qualitative treatment of accounting information and delivery to a wide segment of its internal and external users for the benefit of each of them according to their purpose. Of course, the concept of accounting information systems had a tangible contribution to the quality of the information provided to the concerned parties" (Metwally, 2015).

Accordingly, the financial statements and reports have an important role in anticipating the future of companies in terms of their sustainability and continuity - which is considered a goal for every established facility, It became possible for the financial stumbling, which if its pace continues, will turn into an obstacle to the implementation of the objectives of the facility and threaten its continuity and efforts to survival. Therefore, this study focused on the issue of the financial stumbling and linked it to the accounting systems and its outputs of quality accounting information in various sectors, especially the industrial sector, for its great impact on national economies,

**The problem of the study and questions:**

Accounting information plays a pivotal role in establishments because of its impact on operations and transactions inside and outside the facility, and the user relies on the information derived from the accounting system in the tasks of planning, implementation, supervision, control and running the business of the facility. Informing them of the financial position of the facility, whether strength or weakness. Once they obtain this information, they are able to assess the company's position and the strength of its financial position or its failure. The importance and role of the accounting information system comes from the production of high-quality accounting information that enables the user to make the appropriate decision. The financial reporting standards have set standards for the adoption of high-quality information characterized by appropriateness and honest representation. One of the most important concepts that was associated with accounting information was the concept of accounting information systems, which led to a significant change in the data associated with the quality of accounting information and the applications and functions related to it such as the financial stumbling in economic establishments, so the problem of the study lies in probing the modified impact of accounting information systems on the relationship between quality of accounting information and the financial stumbling of industrial companies, and from here we have the following questions related to the problem of the study:

1- What is the impact of quality of accounting information on the financial stumbling in industrial companies in the northern region?

2- Do the basic characteristics of accounting information (relevance and honest representation) affect the financial stumbling in industrial companies in the northern region?

3- What is the impact of the enhancing characteristics of financial information (comparability, verifiability, understandability, and timeliness) on the financial stumbling in industrial companies in the northern region?

4- Does the relationship between quality of accounting information and the financial stumbling differ according to different accounting information systems?

**Objectives of the study:**

This study aims to clarify the quality of accounting information and its impact on the financial stumbling in industrial companies in the northern region, and the impact of accounting information systems in modifying the relationship between them in industrial companies in the northern region.

1- To identify the impact of quality of accounting information on the financial stumbling in industrial companies in the northern region

2- Identifying the impact of the basic characteristics (appropriateness of accounting information and honest representation of information) in the financial stumbling in industrial companies in the northern region

3- To identify the impact of the enhancing characteristics of financial information (comparability, verifiability, comprehension, and appropriate timing) on the financial stumbling in industrial companies in the northern region?

4- Identifying the impact of the rate of accounting information system on the relationship between the quality of accounting information and the financial stumbling in industrial companies in the northern region.

The importance of study:

The researchers hope that this study will constitute a new scientific addition to the content of the concepts contained in the title of the study and its vocabulary. The study is concerned with the definition of accounting information systems and the statement of its modified impact on the relationship between the quality of information and its reflection on the financial stumbling of industrial companies in the northern region. Stumbling in industrial companies in the northern region and the impact of accounting information systems on modifying the relationship between them in the facilities of the Jordanian industrial sector in the northern region depending on the available quality information extracted from accounting information systems and applicable in industrial companies in the northern region in light of the continuous fluctuation of economic conditions.

**Hypotheses of the study:**

In order to reach results through which it is possible to answer the questions of the study, the hypotheses of the study that were formulated according to the nihilistic image will be tested depending on and based on the theoretical framework and previous studies as follows:

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The first main hypothesis: There is no statistically significant impact at the impact of statistical significance ($\alpha \leq 0.05$)) on the relationship between quality of accounting information and the financial stumbling in industrial companies in the northern region.

The second main hypothesis: There is no statistically significant impact at the impact of statistical significance ($\alpha \leq 0.05$)) on the relationship between the basic characteristics (appropriateness of accounting information and honest representation of information) in industrial companies in the northern region.
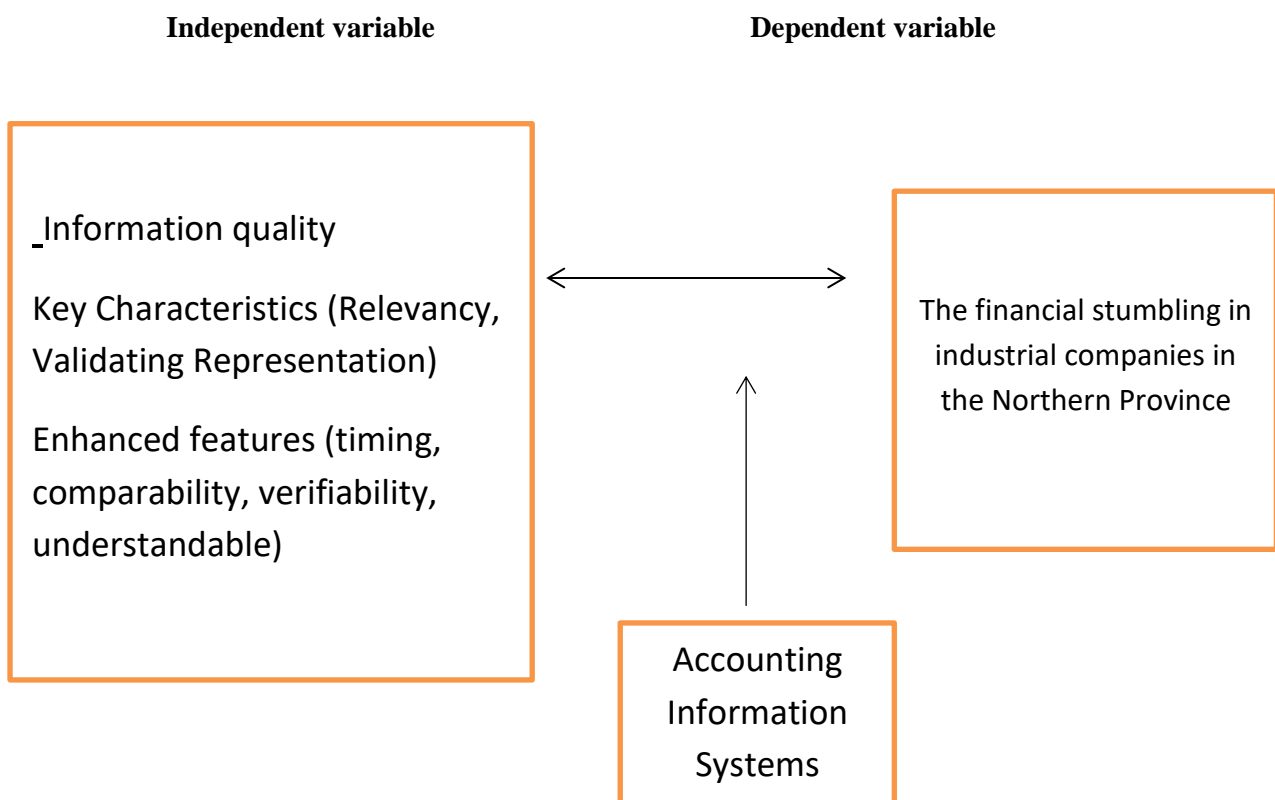
The third main hypothesis: There is no statistically significant impact at the level of statistical significance ($\alpha \leq 0.05$) on the relationship between the enhancing properties of accounting information (comparability, verifiability, understandability, and appropriate timing) and the financial stumbling in industrial companies in the northern region.

The fourth main hypothesis: There is no statistically significant impact on the impact of statistical significance ($\alpha \leq 0.05$) of the impact of modified accounting information systems on the relationship between quality of accounting information and the financial stumbling of industrial companies.

**Study model:**

A special model has been developed for the study to determine the quality of accounting information and its impact on the financial stumbling in industrial companies in the northern region and the impact of accounting information systems in modifying the relationship between them in industrial companies in the northern region by referring to previous studies to determine the objective of the study. Figure (1) shows the study model and its dimensions:

Figure (1)

Independent variable                              Dependent variable



Information quality

Key Characteristics (Relevancy, Validating Representation)

Enhanced features (timing, comparability, verifiability, understandable)

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Accounting Information Systems

**Modified variable**

**Theoretical framework of the study:**

Accounting information is the mainstay in the decision-making currency because of its importance, as it affects the value of the economic unit, but it must have qualities, characteristics and quality standards in order to increase the value of those units. The availability of accounting information that includes qualitative characteristics in terms of relevance and the degree of reliance on it will serve its users in the decision-making process. The financial statements also represent the most important source of accounting information that companies are working on preparing and disclosing transparently for everyone who has a relationship with the company to be used by each in his field accurately, clearly and objectively (Boukendoura Houria, 2017). Metwally (2015) defined accounting information systems: "as a system that collects, records, stores and processes data to produce information that benefits decision-makers in the facility." The accounting information system aims to produce the reports necessary to achieve the objectives of the accounting unit, and reports of all kinds represent the final results of the accounting information system. The efficiency of accounting information systems is linked to the quality of the reports it produces, and the quality criterion in these reports is the accuracy of the data contained in them, so that the financial reports represent the results of the accounting unit's work, and the financial position at the end of the financial period. The timely arrival of data is important for the management of accounting unit; It plays an important role in making the right decisions. Inventory (2021) believes that "accounting information systems provide the means of control that contribute to protecting the company's assets from manipulation, embezzlement, and misuse by all parties."

Nawal Sabahi (2017) defined quality of accounting information as "those characteristics that must be characterized by accounting information, and expressed in the desired benefit of preparing financial reports in evaluating the quality of information those results from the application of alternative accounting methods and methods." Noureddine and Hilali (2019) consider that quality of accounting information means "the extent of compliance with the rules and procedures that are regularly and faithfully applied in a way that reflects the reality of the institution's accounts, the relative importance of the recorded events." What is meant by quality in this context is that it is the criterion on the basis of which the accounting information can be judged on the achievement of its objectives, and it can also be used as a basis for differentiating between accounting methods for the purpose of measurement and accounting disclosure in financial reports, which allows choosing the most good information that is most useful in rationalizing decisions.

Asaws (2018) defined the financial stumbling as "a financial imbalance facing the institution as a result of the lack of its resources and capabilities to meet its obligations in the short term." The importance of financial forecasting is highlighted by revealing the financial stumbling in large organizations. Its importance increases according to the increase in the activity of the institution and the volume of sales and production operations in it, and it is considered an important tool that enables economic decision-makers to take their investment or

financing decisions in an appropriate and sound manner, in addition to that financial forecasting helps reduce the degree of uncertainty and works to assess potential risks related to the future ( Berkan, 2020).

Karrusha (2016) indicates that the unit will be unable to pay its obligations, and in this case, the facility or the bank can be described as in a state of financial insolvency, and the management of the facility or the bank often resorts to many strict reform measures, for example, selling the bonds of the troubled investor at a relatively higher rate of return than the rate of return, The interest that the bond holder can accept to invest his money in other similar banks. The financial insolvency may be total when the enterprise is unable to meet its due obligations and the value of its liabilities is greater than the value of its assets, that is, it is in a state of complete inability to pay even if given a period of time or opportunities to re-correct its conditions and may fall into the stage of legal failure, a stage in which the enterprise cannot In which there is control of stumbling, which requires the intervention of the legal path and taking legal measures to declare bankruptcy or liquidation (Bin Nouna, Hamoudi, 2020). Kamush (2021) revealed the role of corporate governance indicators in predicting the financial stumbling of companies and recommended working on developing practical mechanisms to activate private corporate governance practices in order to reduce the conflict of interests between owners and managers and unify the objectives of these parties and direct them according to what serves the goals of the company. Hammad's study (2021) aimed to "study the relationship between the use of big data technology and the level of companies' financial performance in light of the modified impact of the quality of the accounting information system on the final accounts of the financial position and its fair value, which increases investor confidence," and Kamush (2020) showed weak governance practices Companies related to administrative ownership, and the separation between the positions of the chairman of the board of directors and the general manager, meaning that most of the companies surveyed are under the control and control of a central leadership (the president and general manager), the boards of directors of the surveyed companies enjoy great independence. He recommended activating the independence of the board of directors and revealing the factors that hinder its activity. This study aimed to know the impact of corporate governance practices on the financial stumbling of Algerian companies,

Aberkan (2020) clarified the importance of analyzing cash flows and their role in predicting the financial stumbling of institutions and said that stumbling cannot be limited to quantitative variables. Not only, but there are qualitative variables such as the size of the institution. Fasih (2019) showed in his study the use of prediction models of the financial stumbling in economic institutions, "the necessity of paying attention to the analysis of liquidity ratios because it measures the institution's ability to meet its short-term obligations from its current assets", and its ability to continue. Abdel-Malik and Darawsy (2019) pointed out the impact of the risks of the accounting information system on the quality of accounting information: that most of the risks were the result of internal reasons, not external causes, and arise due to negligence or unintended errors.

The researchers believe that the quality of accounting information is basically the product of accounting information systems, it must be available to ensure that the facility performs its duty, starting from the higher departments with strategic functions and ending with the operational levels in the facility. Accounting information systems are the backbone of life in it

because of its great impact in the management of the operations of the facility and linking the various departments functionally with each other, and constitute a link for all parts of the facility, accounting information systems help to provide the decision maker with quality parameters that enable him, for example, in limiting costs and directing the use of Resources and reduce waste and contribute to anticipating potential sales and has a major role in determining the strengths and weaknesses in the activity of the facility and making management aware of them, which contributes to making ideal decisions, such as production decisions and decisions to open new lines and the feasibility of using a manufacturing alternative in another alternative place, so it must be given The establishment in general, and in particular the industrial establishment, the accounting systems give the greatest attention because of the benefits that accrue to the establishment. And the financial stumbling in the facility is a mixture between the ability of management and the optimum use of the available resources, and it has a close relationship with the quality of accounting information. The subject of the financial stumbling remains a very controversial topic because of its complex dimensions and nature between different disciplines. It is an economic, administrative, legal, and because of its great impact on the facility and its environment, whether near such as those dealing with it or far, such as the countries in which it is located. Therefore, establishments must re-evaluate their financial position almost permanently to monitor any Premonitions of financial stumbling and trying to resist and prevent it.

**The Study Method:**

The researchers followed the descriptive analytical method in order to identify the quality of accounting information and its impact on the financial stumbling in industrial companies in the northern region, and the impact of accounting information systems on modifying the relationship. The non-quantitative descriptive variables were studied and analyzed through a questionnaire and converted into measurable quantitative variables, with the aim of reaching an accurate selection of hypotheses, and thus stating the results and recommendations of the study.

**The study community and sample**

The study population consisted of financial managers working and accountants in the accounting departments of industrial companies in the northern region, which number 157 industrial companies, according to the website of the Industrial Cities Corporation (2021), in addition to the external auditors. The study sample was chosen randomly, as it numbered (152) financial managers and accountants working in industrial companies operating in the northern region, in addition to independent auditors working in auditing offices. Table No. (1) shows the distribution of sample members according to personal variables.

Table No. (1)

Distribution of the sample members according to personal variables

| Variable | Level | Frequencies | % |
|----------|-------|-------------|---|
| | **Financial Manager** | 12 | 7.9 |

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| Variable | Level | Frequencies | % |
|---|---|---|---|
| **Job** | **Accountant** | 81 | 53.3 |
| | **independent auditor** | 59 | 38.8 |
| | **Total** | 152 | 100.0 |
| **Qualification** | **Higher Diploma** | 12 | 7.9 |
| | **BA** | 113 | 74.3 |
| | **Master's** | 24 | 15.8 |
| | **PhD** | 3 | 2.0 |
| | **Total** | 152 | 100.0 |
| **Experience** | **less than 5 years** | 69 | 45.4 |
| | **From 5 years - less than 10 years** | 56 | 36.8 |
| | **From 10 years - under 15 years** | 21 | 13.8 |
| | **15 years and over** | 6 | 3.9 |
| | **Total** | 152 | 100.0 |
| **Specialization** | **accounting** | 84 | 55.3 |
| | **Business Administration** | 23 | 15.1 |
| | **Banking and Finance** | 26 | 17.1 |
| | **Economy** | 19 | 12.5 |
| | **Total** | 152 | 100.0 |

The researchers believe that the reason for the high percentage of bachelor's degrees is that most financial and accounting jobs need employees with professional accounting qualifications who are able to deal with the accounting system according to the nature of their work. This could explain the high percentage of experience (less than 5 years) due to the high rates of job turnover in industrial companies; In addition to the nature of the polarization policies in industrial companies, which are trying to attract new graduates to work in accounting departments, because they accept lower salaries, which leads to a reduction in costs.

**Data collection sources:**

The study relied on collecting the necessary information and data for the study on books and periodicals related to the subject of the study, in addition to the information available on the subject and available on the approved websites on the Internet. The researchers developed a questionnaire related to the subject of the study, based on the theoretical framework of this study.

**Reliability of the study instrument**

The questionnaire was presented to a number of professors of official Jordanian universities among those with experience and expertise in the subject of the study for arbitration, and the amendment was made according to their opinions. And extracting the coefficient (Cronbach's alpha) for the internal consistency for all areas of the study tool, as the values of the stability coefficients (Cronbach's alpha) for the dimensions and fields of study ranged between (0.706-0.865), all of which are acceptable values for application purposes as well; Al-Najjar and Al-Zoubi indicated, (2013, p. 151). The stability coefficient of acceptance is (0.70).

**Normal distribution test:**

According to the values of the Shapiro-Wilk test and the value of the level of significance accompanying it, which was conducted on the study data, it was found that the test value for all study variables ranged between (0.81-1.23) and this indicates that the study follows a normal distribution.

**Linear duplication test:**

It was found from the results of the linear duplication test between the study variables that the study model is free from the problem of linear duplication between the variables, as the values of the coefficient of variation inflation were appropriate as it ranged between (1.33and 2.26) which is less than (5). (0.44-0.79) has met the acceptance criterion that its value is greater than (0.1).

**Hypothesis testing and discussion:**

**Discussing the results related to the first main hypothesis:** There is no statistically significant impact at the level of statistical significance ($\alpha \leq 0.05$)) on the relationship between quality of accounting information and the financial stumbling in industrial companies in the northern region.

To verify the validity of this hypothesis, the multiple regression equation was applied as shown in Table (1).

Table (1)

Multiple regression equation to study the impact of quality of accounting information on the financial stumbling in industrial companies in the Northern Territory

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| Sig | F | Adjusted R Square | R² | R | Standardized transactions | | | Non-standard transactions | | Variable |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Sig | T | Beta | Std. Error | B | |
| | | | | | 0.000 | 12.498 | | 0.210 | 2.620 | **(Constant)** |
| 0.000 | 33.429 | 0.300 | 0.310 | 0.557 | 0.000 | 5.038 | 0.758 | 0.119 | 0.600 | Basic characteristics |
| | | | | | 0.000 | 7.408 | 1.114 | 0.122 | 0.905 | Enhanced characteristics |

Table (1) shows that there is a statistically significant impact at the significance level ($\alpha \leq 0.05$) of the quality of accounting information on the financial stumbling in industrial companies in the northern region, as the value of the correlation coefficient (R) reached (0.557), which is a statistically significant value and indicates the degree of Statistically significant correlation between quality of accounting information and financial stumbling, and the value of (R-square) was (0.310), which is a statistically significant value, meaning that quality of accounting information explains what its value (31.0%) of the change in the financial stumbling in industrial companies, and the value of the test (F) (33.429) with statistical significance (0.00), which indicates that there is a discrepancy in the influence of the independent variables on the dependent variable, and based on the above, the first main hypothesis is accepted by the alternative formula, which states: "There is a statistically significant impact at the level of significance ($\alpha \leq 0.05$) for the quality of accounting information on the financial stumbling in industrial firms in the northern region".

**Results related to the second main hypothesis Basic characteristics (information fitness and honest representation):** There is no statistically significant impact at the level of statistical significance ($\alpha \leq 0.05$).

To verify the validity of this hypothesis, the simple regression equation was applied as shown in Table No. (2).

Table (2): Simple regression to study the impact of basic characteristics (appropriateness of information and honest representation) in industrial companies in the northern region

| Sig | F | Adjusted R Square | R² | R | Standardized transactions | | | Non-standard transactions | | Variable |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Sig | T | Beta | Std. Error | B | |
| | | | | | 0.000 | 16.328 | | 0.210 | 3.423 | **(Constant)** |
| 0.009 | 7.017 | 0.038 | 0.045 | 0.211 | 0.009 | 2.649 | 0.211 | 0.061 | 0.163 | Appropriateness of accounting |

| | | | | | | | | | | information |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | 0.000 | 15.337 | | 0.215 | 3.297 | **(Constant)** |
| 0.002 | 10.229 | 0.058 | 0.064 | 0.253 | 0.002 | 3.198 | 0.253 | 0.061 | 0.195 | Validating representation of accounting information |

Table (2) shows that there is a statistically significant impact at the significance level (α≤0.05) of the appropriateness of accounting information on the financial stumbling in industrial companies in northern region. The value of the correlation coefficient (R) is (0.211), which is a statistically significant value that indicates the degree of Statistically significant correlation between the appropriateness of accounting information and financial stumbling, and the value of (R-square) was (0.045), which is a statistically significant value, meaning that the basic characteristics explain its value (4.5%) of the change in the financial stumbling in industrial companies, and the test value was ( F) (7.017) with statistical significance (0.007), and based on the above, the second main hypothesis (honest representation) is accepted in the alternative formula, which states "There is a statistically significant impact at the level of statistical significance (α ≤ 0.05) on the relationship between the appropriateness of accounting information and the financial stumbling in industrial firms".

Table (2) shows that there is a statistically significant impact at the significance level (α≤0.05) for the honest representation of accounting information on the financial stumbling in industrial companies in the northern region, as the value of the correlation coefficient (R) reached (0.253), which is a statistically significant value that indicates The degree of statistically significant correlation between the honest representation of accounting information and financial stumbling, and the value of (R-square) is (0.064), which is a statistically significant value, meaning that the basic characteristics explain its value (6.4%) of the change in the financial stumbling in industrial companies, and the value of Test (F) (10.229) with statistical significance (0.007), and based on the above, the second main hypothesis accepted the honest representation by the alternative formula, which states "There is a statistically significant impact at the level of statistical significance (α ≤ 0.05) on the relationship between the honest representation of accounting information and the financial stumbling in industrial companies".

The interpretation of this result is that the accounting profession depends mainly on the basic qualitative characteristics of accounting information in achieving quality of accounting information, gaining public confidence and achieving the objectives of the accounting department in the company by providing financial services to all parties related to accounting information, which positively affects the financial stumble.

**Results of the third hypothesis:** There is no statistically significant impact at the level of statistical significance (α ≤ 0.05) on the relationship between the enhancing properties of accounting information (comparability, verifiability, understandability, and appropriate timing) and the financial stumbling in industrial companies.

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To verify the validity of this hypothesis, the multiple regression equation was applied, as shown in Table (3).

Table (3)

Multiple regressions to study the impact of enhanced characteristics on the financial stumbling of industrial firms in the northern region

| Sig | F | Adjusted R Square | R² | R | Standardized transactions | | | Non-standard transactions | | Variable |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Sig | T | Beta | Std. Error | B | |
| 0.000 | 51.205 | 0.571 | 0.582 | 0.763 | 0.000 | 7.470 | | 0.194 | 1.453 | **(Constant)** |
| | | | | | 0.838 | 0.205 | 0.037 | 0.130 | 0.027 | Comparison |
| | | | | | 0.321 | 0.995 | 0.152 | 0.108 | 0.108 | understandable |
| | | | | | 0.934 | 0.084 | 0.014 | 0.120 | 0.010 | the right time |
| | | | | | 0.000 | 12.827 | 0.865 | 0.061 | 0.778 | Verifiability |

Table (3) shows that there is a statistically significant impact at the significance level ($\alpha \leq 0.05$) of the enhancing properties of accounting information on the financial stumbling in industrial companies in the northern region. The value of the correlation coefficient (R) is (0.763), which is a statistically significant value that indicates that The degree of statistically significant correlation between the enhancing characteristics and financial distress. The value of (R-square) was (0.582), which is a statistically significant value, meaning that the enhanced characteristics explain its value (58.2%) of the change in the financial stumbling in industrial companies, and the test value was (F) (51.205) with a statistical significance of (0.007). , which indicates that there is a discrepancy in the impact of the independent variables on the dependent variable, and based on the above, the second sub-hypothesis is accepted in the alternative formula, which states "There is a statistically significant impact at the significance level ($\alpha \leq 0.05$) for the enhanced characteristics on the financial stumbling in industrial companies in northern region".

The researchers believe that this result is due to the importance of the enhanced characteristics and their usefulness in decision-making, given the existence of a close relationship between accounting information and the goal of its production, that is, the ability of information to help the main external beneficiaries, who own part of the property rights in the company, to make decisions related to maintaining the current relationship company or change it.

**- Results of the fourth main hypothesis:** There is no statistically significant impact at the level of statistical significance ($\alpha \leq 0.05$) for the impact of modified accounting information

systems on the relationship between quality of accounting information and the financial stumbling of industrial companies. To verify the validity of the second main hypothesis, a hierarchical regression test was applied, and the results were as follows:

Table (4): Results of the hierarchical regression analysis for the second main hypothesis

| Second Model | | | First Model | | | Variable | Dependent variable |
|---|---|---|---|---|---|---|---|
| Sig T | Calculated T | B | Sig T | Calculated T | B | | |
| 0.000 | 4.259 | 0.472 | 0.000 | 5.038 | 0.758 | Basic characteristics | financial stumbling |
| 0.017 | 2.408 | 0.308 | 0.000 | 7.408 | 1.114 | Enhanced characteristics | |
| 0.000 | 11.852 | 0.810 | | | | Accounting Information Systems | |
| 0.804 | | | 0.557 | | | R | |
| 0.646 | | | 0.310 | | | $R^2$ | |
| 0.336 | | | 0.310 | | | $\Delta R^2$ | |
| 140.466 | | | 33.429 | | | $\Delta F$ | |
| 0.000 | | | 0.000 | | | Sig $\Delta F$ | |

* Statistically significant at the level of significance ($\alpha \leq 0.05$)

It is clear from the results of Table No. (4) that the hierarchical regression is based on two models, where the results of the first model represented the impact of quality of accounting information on the financial stumbling in industrial companies in the northern region, as it was found that there is a statistically significant impact of the quality of accounting information combined in financial stumbling, as the value of $\Delta F$ was (33.429) at a significant level (Sig $\Delta F$=0.000), which is less than 0.05. The value of the coefficient of determination R2, which amounted to (0.310) indicated that the percentage of (31.0%) of the change in the financial stumbling can be justified through the dimensions of quality of accounting information combined.

In the second model, the modified variable (accounting information systems) was added to the regression model, where the value of the coefficient of determination R2 increased by (33.6%), which is statistically significant, as the value of $\Delta F$ reached (140.466) at a significant level (Sig $\Delta F$ = 0.000). which is less than 0.05. While the value of the B coefficient at the dimension (accounting information systems) was (0.810), and at a significant level (SigT = 0.000), which indicates the presence of the moral impact of accounting information systems in improving the relationship between quality of accounting information and the financial stumbling in industrial companies in the northern region .

Based on the foregoing results in Table (20), the second main null hypothesis is rejected, and the alternative hypothesis is accepted, which states: "There is a statistically significant impact at the significance level ($\alpha \leq 0.05$) of accounting information systems in improving the relationship between quality of accounting information and the financial stumbling in industrial companies in the Northern Territory.

The researchers believe that this result is due to the fact that accounting information systems contribute to reaching honest predictions about the expected results in the future, or enhancing or correcting his current expectations, and that this information gives strong indicators about the future in natural conditions. Whenever these indicators are strong and close to reality, they allow their users monitoring future performance, knowing deviations, their locations and causes, and resolving them, which will positively reflect on financial stumbling.

**Findings and Recommendations**

Based on the field study carried out by the two researchers , the modified impact of accounting information systems on the relationship between quality of accounting information and the financial stumbling in industrial companies in the northern region. After analyzing its data, answering its questions, and testing its hypotheses, this study concluded a set of results. It recommended a set of recommendations, which were as follows:

**Results**

After conducting a statistical analysis of the study sample's estimates of the tool, the following was found:

1- There is a statistically significant impact at the significance level ($\alpha \leq 0.05$) of the quality of accounting information on the financial stumbling in industrial companies in the northern region.

2- There is a statistically significant impact at the significance level ($\alpha \leq 0.05$) of the basic characteristics on the financial stumbling in industrial companies in the northern region.

3- There is a statistically significant impact at the significance level ($\alpha \leq 0.05$) of the enhancing characteristics on the financial stumbling in industrial companies in the northern region.

4- There is a statistically significant impact at the significance level ($\alpha \leq 0.05$) of accounting information systems in improving the relationship between quality of accounting information and the financial stumbling in industrial companies in the northern region.

5- There are no statistically significant differences at the level of statistical significance ($\alpha < 0.05$) in the opinions of the study sample members about the quality of accounting information according to the demographic characteristics of the sample (experience, field of work, size of the industrial establishment, educational level of individuals).

6- There are no statistically significant differences at the level of statistical significance ($\alpha < 0.05$) in the opinions of the study sample members about accounting information systems

according to the demographic characteristics of the sample (experience, field of work, size of the industrial establishment, educational level of individuals.

**Recommendations:**

Based on the foregoing results, the study recommends the following:

1. The necessity for the management of industrial companies in the northern region to be keen to provide financial information of high quality and predictive value on a regular basis through the use of systems in an efficient manner.

2. The necessity for the industrial companies in the northern region to be interested in using advanced accounting information systems, with keenness to rehabilitate the human elements working on them well and taking into account the principle of benefit versus cost.

3. It is necessary to analyze the accounting information periodically to monitor any signs of stumbling and to immunize the facility from them early to ensure the development of stumbling and reaching the stage of financial failure and threatening the continuity of the facility.

4. The need for the accounting departments of industrial companies in the northern region to be concerned with classifying and presenting accounting information in financial reports in a clear, accurate and consistent manner that is understandable by the largest group of potential beneficiaries.

5. Conducting more future studies that deal with the modified impact of accounting information systems on the relationship between quality of accounting information and the financial stumbling in other business sectors, or the introduction of other variables that would add interest to this research field.

6. Encouraging users of accounting information systems to join specialized training courses in the field of information technology and its uses at work.

7. Encouraging accountants, financial managers and other users of accounting information systems to join specialized training courses in financial analysis and its uses at work.

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