



THE IMPACT OF ACCOUNTING INFORMATION SYSTEM AS CONTROL AND AUDITORS ON SMES ACCOUNTING PRACTICES

Assistant Professor, Emad Al-Harash,
Accounting Department, Madenat Alelem University College, Baghdad, Iraq.
E-mail: emadharesh@yahoo.com

ABSTRACT	KEY WORDS
The influence of accounting information systems (AIS) as control and auditor on the efficacy and efficiency of accounting processes for Iraqi small and medium-sized businesses (SMEs) has not been thoroughly studied. This empirical study is aimed at an analysis made as to how much accounting information systems such as control and auditor may impact SMEs' accounting practices. The AIS of SMEs for measured against standard or prescribed indicators of effectiveness and efficiency for accounting practices. The primary method of measuring the variables was adaption, and it used measures that were created based on earlier research. The outcomes demonstrate that the accounting information system as control and auditor has an immediate positive and significant impact on SMEs' accounting practices. The study adds value to the accounting literature because few works analyse how much an auditor and control's usage of AIS may affect SMEs' accounting practices in Iraq.	Accounting Information System, SMEs, Accounting Practices, Control and Auditor.

Introduction

In response to the increasing environmental, social, and economic challenges of our times, governments in the US, UK, EU, Russia, China, Japan, and several other countries have started new programmes to assist small and medium-sized enterprises (SMEs) in their endeavours to grow and innovate. These initiatives stem from rapid technological advancements, raised awareness, and demanding customer demands. For the SMEs sector to actively participate in the process of development and reconstruction, the nations started off by laying the groundwork for their development plan, which included enhancing the legal and legislative framework for the sector's growth as well as promoting local economic recovery. Through this development process, the SME sector's resuscitation became one of the primary pillars of the nation's strategy, transforming it into an active sector of the economy, a source of job opportunities, a facilitator of sustainable growth, and a contributor to the financing of development. The idea of using SMEs as a vehicle for more sustainable growth has garnered more attention than ever before, with a new policy for SMEs in all sectors being drawn with full potential (Harash, 2017). Iraq has been home to small industrial firms

(SMEs) since 1982. Government criteria state that an organisation is considered small if it is lawfully registered, employs less than ten people, and has assets under \$10,000,000. Starting in 1983, industrial medium enterprises are defined as businesses that employ between ten and twenty-nine people, with personal investments under 10,000,000 IQD. These medium-sized businesses, which employ less than twenty-nine people and have fixed asset bases of little more than 10,000,000 IQD, are also registered as small or medium-scale companies (SMEs) (Harash, 2014; Harash, 2017). Therefore, this study defines SME as an Iraqi registered company that comprises 29 employees or less and assets of no more than 10,000 IQD.

Since small and medium-sized enterprises (SMEs) account for about 95% of all businesses, the relevance and application of accounting information systems (AIS) for SMEs is crucial. Available data from the Central Organisation for Statistics (COS) in Iraq shows that SMEs make up the majority of the country's private sector, accounting for 99% of all businesses (Harash, 2014; Harash, 2015; Harash, 2017). When it comes to helping small business owners and managers maintain a competitive edge in the face of today's rapidly evolving business landscape, including rising client demands, quick technical advancements, and greater awareness, AIS is an indispensable tool (Alnajjar, 2017; Harash, 2014; Harash, 2015; Harash, 2017). The AIS is viewed as a means of providing information on management, financial, organizational, social, and operational to organizations so that financial statements can be consistent, transparent, and comparable. Financial accounting in SMEs is the primary information source for management, creditors, lenders, and other users of SMEs' financial statements to organisations (Alnajjar, 2017; Harash, 2014; Harash, 2015; Harash, 2017). Despite using AIS, prior research has shown that SMEs still have inadequate system control, inefficient information management, and a high percentage of ad hoc decision-making. Many SMEs have not taken into account AIS in their operation, according to earlier literature. Managers, accountants, business analysts, and other agencies can utilise accounting information systems to help SMEs work more effectively and efficiently by acting as control and auditors (Alnajjar, 2017; Harash, 2014; Harash, 2015; Harash, 2017; Ismail & King, 2005). The topic of the current study is connected to determining the efficacy of accounting information systems as control and auditor, as well as their performance and influence on accounting practices for SMEs in Iraq, based on the review and discussion above. Thus, this study aims to explore how AIS, both as auditors and as controls, affect accounting procedures in Iraqi SMEs. You may demonstrate this by posing the following query: What effect does the efficacy of AIS as an auditor and control have on the accounting procedures of SMEs in Iraq?

2. Accounting information system (AIS)

An information system (IS) is a structured way of collecting, inputting, processing, storing, managing, controlling, and reporting data to help a company meet its goals and objectives (Harash, 2014; Harash, 2015; Harash, 2017; Soudani, 2012). A structured approach to finding, measuring, collecting, analysing, organising, understanding, and sharing accounting data is known as an accounting information system (AIS). It is utilised in the execution of managerial tasks like organising, planning, and controlling organisational decision-making processes to maximise the use of resources (Harash, 2014; Harash, 2015; Harash, 2017; Ganyam & Ivungu, 2019). The previous literature (Alnajjar, 2017; Harash, 2014; Harash, 2015; Harash, 2017; Ganyam & Ivungu, 2019; Soudani, 2012; Ismail & King, 2005; Okour, 2016) defined AISs as the systems that collect, store, process, and distribute both

financial and non-financial data on the unit's activities. These systems allow for the control of information flow and the imposition of controls to ensure a high degree of relevance and reliability in the data, which is what a business needs to make informed decisions that will help the organisation achieve its objectives and, ultimately, gain a competitive advantage. The data contained in the accounting information system as control and auditor is business data pertinent to the company's business practices. SMEs now store, retrieve, process, and analyse their financial data using the accounting information system as a control and auditor due to increased improvements in information technology (IT) (Harash, 2014; Harash, 2015; Harash, 2017). However, one instrument that makes use of the IT component to assist in managing the economic-financial activity of SMEs is the accounting information system, which also serves as an auditor and control system. For managers to make wise judgements, they require high-quality information. This is because SMEs are required to abide by the auditing procedures and internal controls (i.e., the security mechanisms it incorporates to protect sensitive data) established by AIS laws (Al-Dmour, 2018; Harash, 2014; Harash, 2015; Harash, 2017). Accounting information system as control and auditor leads to the strategic success of SMEs, and support different organisational strategies, which increase the effectiveness and efficiency of accounting practices for SMEs. As a result, these companies' cultures become more robust and flexible, enabling them to adjust to changing market conditions and perhaps providing them with access to capital markets. In SMEs, the process of using AIS to save accounting information assists and collecting, storing, retrieving and processing data and predicting the financial future to participate in the development quality of decisions to be effective, so the procedures and instructions must be followed consistently, as urgent necessity unavoidable (Alnajjar, 2017; Harash, 2014; Harash, 2015; Harash, 2017; Ganyam & Ivungu, 2019; Soudani, 2012; Ismail & King, 2005; Okour, 2016). Accounting information systems as control and auditors to SMEs are focused on meeting the information demands of people who are primarily interested in information on cash flows, liquidity, and solvency, such as creditors, lenders, and other users of SME financial statements (Harash, 2014; Harash, 2015; Harash, 2017; Yström, 2010), and also considering the costs to SMEs and the ability to prepare financial information (Ganyam & Ivungu, 2019; Soudani, 2012; Ismail & King, 2005; Okour, 2016). Previous studies (Alnajjar, 2017; Harash, 2014; Harash, 2015; Harash, 2017; Ganyam & Ivungu, 2019; Soudani, 2012; Ismail & King, 2005; Okour, 2016; Yström, 2010). Previous studies conclude that AIS impacts the performance and the planning, control, coordination, analysis, and decision-making in SMEs. The efficacy and efficiency of SME accounting procedures should rise as a result of decision-makers' utilisation of AIS to gather pertinent data for strategy growth and making decision to obtain the goals and objectives of the organisation. The earlier research looked at the efficiency of AIS and how they affected the performance of SMEs (Alnajjar, 2017, Harash, 2017, Soudani, 2012). The findings showed that the application of AIS in SMEs was successful in satisfying planning needs and in organising, regulating, supporting and directing the organisational decision-making process. The preceding findings also demonstrated a substantial positive relationship between the SMEs' performance and their capacity to provide pertinent process-related information and the efficacy of AIS. According to previous literature, (Ganyam & Ivungu, 2019; Harash, 2014; Harash, 2015; Harash, 2017; Soudani, 2012; Yström, 2010) AIS was considered a fundamental component of decision rationalisation that supports the attainment of competitive advantage and performance improvement. It also gives management access to timely, relevant, and accurate information that aids in identifying system weaknesses and strengths, enabling them to make

decisions that support the goals of SMEs and, consequently, increase their market value and wealth maximisation. The survey's content validity was determined by reviewing the body of current literature and using concepts that have been approved by other academics. According to the opinion of the researchers and previous literature, (Ganyam & Ivungu, 2019; Harash, 2014; Harash, 2015; Harash, 2017; Soudani, 2012; Yström, 2010) in line with the researchers' attempts to measure the AIS variable using a defined set of measures to AIS variable metrics and indicators, the AIS variable will be assessed using a seven-point Likert scale ranging from (1= Not at all 7) = to a higher extent utilising the following 6 items:

1. The integrity of the financial reporting process is enhanced by the data storage.
2. The data stored in enough depth to properly and accurately depict the assets of the organisation.
3. The use of data collecting might result in time and cost savings for shareholders.
4. Data processing has the power to influence decisions by assisting managers in predicting the results of past, present, and future occurrences in order to assess the efficacy and efficiency of SMEs.
5. The quality of the financial reports improved as a result of data processing, which also made business transactions easier.
6. Automated data collecting eliminates human errors in data processing and expedites the creation of financial statements.

These items were developed and adopted previous studies (Harash, 2014; Harash, 2015; Harash, 2017; Soudani, 2012) to measure the AIS variable for this study.

3. SMEs accounting practices

Accounting is the result of many years of business and management practices. Managers and owners of the company utilise information, particularly financial, accounting, and management data, to make decisions that provide them a competitive advantage over other organisations. Accounting procedures are related to offering financial and accounting solutions for management, finance, and accounting needs. Accounting procedures are systems of organisational information that give a business pertinent data to benefit both its clients and itself. Accounting procedures help the business make wise decisions and encourage the desired behaviours. Among many other things, accounting methods might involve strategic analysis, budgeting, performance evaluation, and information for decision-making (**Harash, 2015; Harash, 2017**). Despite the extensive research that has been conducted to investigate the SMEs, the effectiveness and efficiency of accounting practices for SMEs are included in this study. These practices include Identification and Recording, posting to the Ledger, extracting a Trial Balance, Adjusting the Trial Balance, Preparing an Income Statement, and Preparing a Position Statement (Balance sheet). While accounting practices measurements are employed more frequently than financial performance indicators, most of the selected SMEs utilise both the efficiency and effectiveness of accounting practices measures to assess their performance. This is revealed by the findings of prior work. In particular, financial metrics do not give a clear or comprehensive view of the accounting procedures used by SMEs (Jamil & Mohamed, 2011; Maduekwe & Kamala, 2016; Mjongwana & Kamala, 2018). Additionally, they frequently do not align with a company's corporate strategy and can even work against the company by encouraging managers to prioritise short-term success above the long-term efficacy and competitiveness of the company. It might not convey the long-term advantages of choices taken today (Jamil & Mohamed, 2011; Harash, 2015; Harash, 2017, Kaplan Publishing, 2012). There are many ways to measure SME performance to determine if it is

doing well. The most common method is to look at its gross or net profit (Jamil & Mohamed, 2011; Maduekwe & Kamala, 2016; Mjongwana & Kamala, 2018). This, however, is not always a reliable way to determine the SMEs' accounting practices. Subjective or objective data can be used to assess SME accounting processes. To compare SMEs' accounting procedures to those of their rivals, the current study, however, examined SMEs' accounting practices using subjective data and the self-rating technique. The seven-point Likert scale, which goes from 1 to 7, was utilised in this investigation. to gauge how much each questionnaire statement is agreed with or disagreed with by respondents. Therefore, according to the opinion of the researchers and previous literature (Jamil & Mohamed, 2011; Harash, 2014; Harash, 2015; Harash, 2017; Maduekwe & Kamala, 2016; Mjongwana & Kamala, 2018; Okour, 2016) the researchers attempt to measuring the SMEs accounting practices variable using a fixed set of measures to SMEs accounting practices metrics and indicators. A trial balance can be extracted, adjusted, prepared as an income statement, prepared as a position statement (balance sheet), posted to the ledger, identified and recorded, and posted to the trial balance are some examples of the measures of SME accounting practices that are associated with these indicators.

4. Accounting information system and accounting practices SMEs

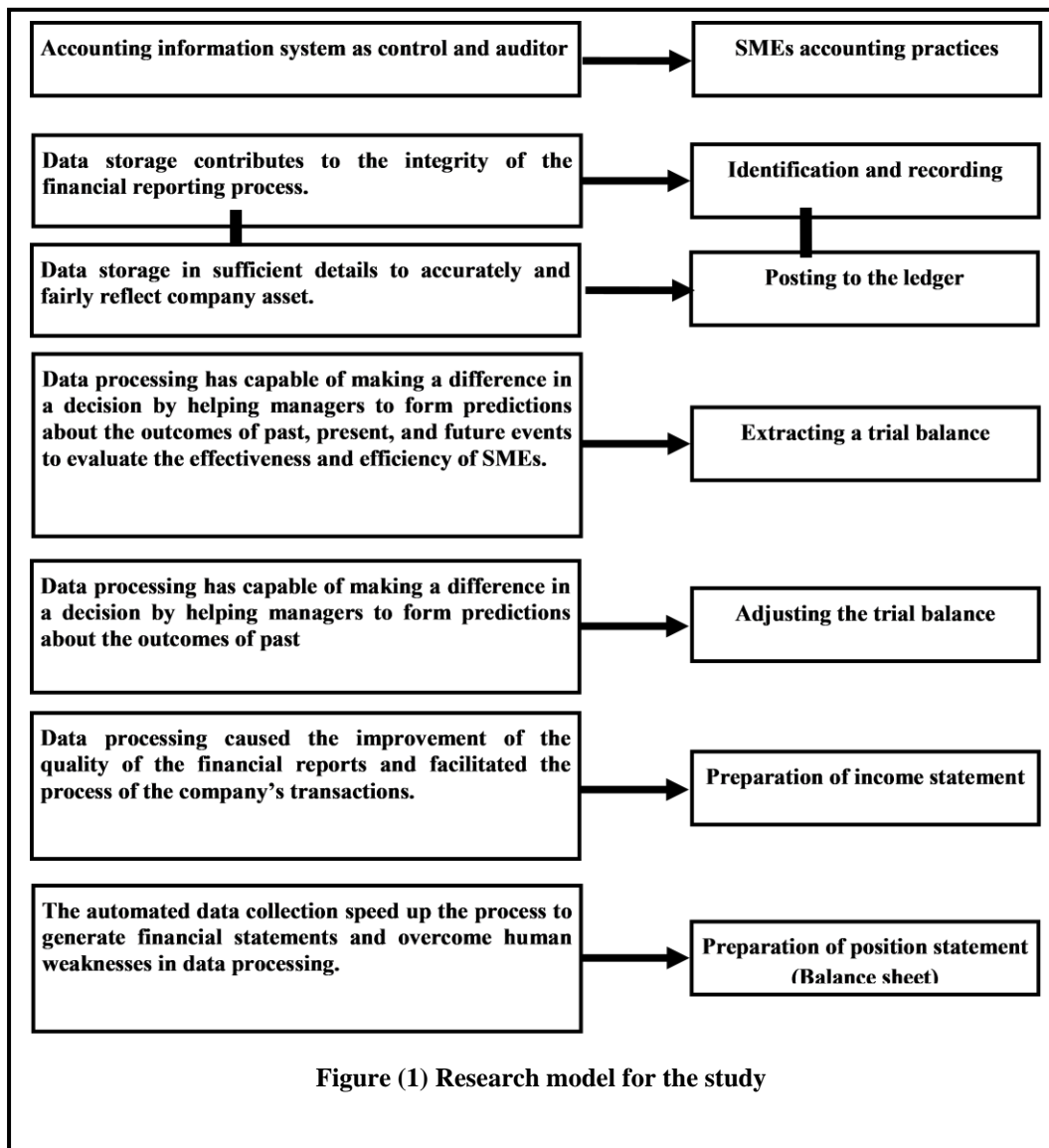
Accounting procedures and information systems SMEs include all of an organization's policies, activities, processes, and procedures on its core operations and business, which help it achieve its strategic goals and improve performance to guarantee positive results. They also give organisations the ability to strategically define and assess their performance (Suárez, 2016). AIS and accounting practices in SMEs show the level of day-to-day operations executed by management of SMEs. The performance of management is a significant contributing factor in the long-term operational success of SMEs and their efficiency, and prosperity (Garengo & Bititci, 2005; Kareem, et. al., 2019). The features of AIS measurement in SMEs and the primary variables impacting AIS measurement in these organisations were discussed in the research by Kareem et al. (2019) and Garengo & Bititci (2005). It shows that while the literature emphasises the significance of SMEs' accounting information systems, there is a lack of studies on SMEs' accounting practices. An AIS as Control and Auditor to SMEs' performance is necessary to uncover why and how AIS impact accounting practices improvement in SMEs (de Leeuw & van den Berg, 2011). Studies Garengo & Bititci, (2005); Harash, (2017; 2014) & Kareem, et. al. (2019) examining the link between AIS and accounting practices implicitly assume that AIS affects accounting practices SMEs in an organization, which then expedites the attainment of SMEs' goals (de Leeuw & van den Berg, 2011). One of the main concerns for SMEs is AIS and accounting procedures, which are of primary relevance to all company managers and owners of SMEs. An AIS and its procedures are often evaluated based on how well they accomplish its goals and objectives (Harash, 2013).

Additionally, SMEs can utilise AIS and accounting practices to evaluate performance data related to possible future controls over changes in financial resources and to evaluate the quality of completed work that can be applied to future projects (Khadafi & Heikal, 2014), so that investors can decide whether to invest in that company. Particularly, for SMEs, AIS and accounting practices are somewhat more important than management performance, financial performance, organizational performance and social performance and its related activities. AIS is a crucial tool for the SMEs as it serves as a control and auditor, enabling firms to effectively manage tasks and activities in tandem

with their core business and operations to achieve predetermined goals and objectives and ensure successful outcomes. Additionally, the AIS allows organisations to strategically establish and evaluate their performance (Suárez, 2016). Three distinct areas of a company's outcomes are covered by the accounting information system as Control and Auditor: financial performance, which includes things like profits, return on assets, and return on investment; product market performance, which includes things like sales and market share; and shareholder return, which includes things like total shareholder return and economic value added (Richard et al. 2009). To achieve a set of goals and objectives and guarantee successful results, SMEs use AIS as auditors and controllers to manage tasks and activities related to their core business and operations. These systems also help organisations strategically define and assess their performance. Indicators, Focus, result orientation, and outcomes linked to attributes like sales growth, profitability growth, market performance, shareholder return, employee growth, efficiency, effectiveness, finances, customer and employee satisfaction, and operating revenues are also included in this set of elements (Harash, 2017; Harash, 2014; Richard et al. 2009; Suárez, 2016). In addition to its conventional obligations to economic shareholders, the concept of AIS as control and auditor in SMEs highlights the social responsibilities of SMEs to many stakeholders, including employees and the society at large (Chen & Delmas, 2011). Because of this, the competitiveness of the business market no longer determines the business climate of SMEs; instead, sustainable innovation is taken into account for its long-term competitive advantage (Harash, 2017; Harash, 2014). A philosophy or way of thinking about conducting business relies on the combination and synchronisation of all SMEs activities, or a set of accounting practices to be executed, or a combination of these two is known as an AIS as control, auditor, and accounting practices in SMEs (Harash, 2013). This approach is aligned with the strategic mandate of the SMEs. As a control and auditor, AIS effectively implements control methods, comprehends SMEs' goals, and provides information on the market, customers, competitors, suppliers, and the overall business environment. It also enables SMEs to plan their activities and develop winning strategies. The performance of AIS as control and accounting practices determines the success of SMEs in the market, both locally and internationally (Harash, 2013; Harash, 2014, Harash, 2017). To properly assess the ability of SMEs to apply more suitable approaches to understand and assess SMEs' management decision-making than conventional decision-making in large companies, managers, accountants, business analysts, and other agencies can use the accounting information system as control, auditor, and accounting practices in SMEs to help SMEs owners quantify their contribution to the SMEs performance to be more efficient and effective (Grant, et al. 2001; Harash, 2013; Harash, 2015; Harash, 2017). The findings of earlier research show the role that SMEs' accounting information system, auditor, and accounting practices play to enhance their ability to enter new markets and in identifying strategies to enhance their performance. In other words, SMEs need the support of these factors to thrive and endure the fierce competition in the market (Negrut & Mihartescu, 2016; Harash, 2015; Harash, 2017). Generally speaking, maintaining a high index or score on all of the aforementioned factors that together define the performance of SMEs is highly beneficial and significant. These factors allow SMEs to pinpoint the specific areas in which they are deficient and work to improve on those areas. Businesses that perform well are seen favourably by investors, staff, and customers alike, so they work hard to maintain and enhance this (Harash, 2015; Harash, 2017).

5. Contingency Framework

The study used contingency theory to develop a model to propose the arrangement of SMEs that relies on the accounting information system to create a need for different control mechanisms. The model describes the influencing mechanism of AIS as control, and auditor on accounting practices of SMEs. It illustrates how the components of the accounting information system AIS, such as control and auditor (i.e., data storage, support the integrity of the financial reporting process). The data stored in enough depth to properly and accurately represent the company's assets. Time and money might be saved for shareholders by using data collecting. By assisting managers in forecasting the results of past, present, and future occurrences, the processing of data may influence decision-making and assess the efficacy and efficiency of SMEs. It demonstrates how the auditor and control (i.e., data storage) elements of the AIS support the integrity of the financial reporting process. The information is kept in adequate detail to fairly and accurately depict the business's assets. Data collection may help shareholders save time and money. Data processing may impact decision-making and evaluate the effectiveness and efficiency of SMEs by helping managers predict the results of past, present, and future actions. Figure (1) depicts the research framework investigated in the current study.



To investigate the functions of AIS as a control and auditor on the accounting practices of SMEs, we initially examine the potential effects of the system, such as the integrity of the financial reporting process is enhanced by data storage. The preservation of data with enough specificity to appropriately and correctly represent firm assets. The use of data collecting might result in time and cost savings for shareholders. When evaluating the efficacy and efficiency of SMEs, managers may make informed decisions by using data processing to assist them in forecasting the results of past, present, and future occurrences. Data processing led to an increase in the caliber of the financial reports and made business transactions easier. The process of generating financial statements is sped up and human weaknesses in data processing are overcome by automated data collection on SMEs accounting practices, including identification and recording, posting to the ledger, extracting a trial balance, adjusting the trial balance, preparing an income statement, and preparing a position statement (balance sheet). To respond to the primary study question, we thereby develop the following hypotheses:

- a.* There is significant impact of accounting information system as control and auditor on identification and recording as SMEs accounting practices.
- b.* There is significant impact of accounting information system as control and auditor on posting to the ledger as SMEs accounting practices.
- c.* There is significant impact of accounting information system as control and auditor on extracting a trial balance as SMEs accounting practices.
- d.* There is significant impact of accounting information system as control and auditor on adjusting the trial balance as SMEs accounting practices.
- e.* There is significant impact of accounting information system as control and auditor on preparation of income statement as SMEs accounting practices.
- f.* There is significant impact of accounting information system as control and auditor on preparation of position statement (Balance sheet) as SMEs accounting practices.

6. Results and Discussion

The study's population consists of accountants, direct managers, and financial managers employed by the sampled SMEs in Iraq. Because choosing the appropriate respondents required some judgment on the part of the researcher, a non-probability judgment sampling strategy was used in the study. 500 questionnaires were issued in all, 400 were returned, and 100 of which were deemed legitimate for data analysis. The SPSS programme version 17.0 was used to analyse the data gathered from primary and secondary sources via questionnaires. Simple linear regression analysis was employed, and hypotheses were evaluated with a 95% confidence level. Tables (1) and (2) revealed that, of the 400 respondents that were surveyed for this study, the majority of participants had significantly different levels of education and experience. The target audience's demographics were the major topic of the first segment, while the key questions were covered in the second. The 36 questions on the questionnaire were addressed to the accountants, financial managers, and direct managers of the SMEs.

Table (1) Education-Information

Category	Frequency	Percent
PhD (Doctorate)	40	10.0
Masters	75	19.5
Bachelors	240	60.0
Other	45	10,5
Total	400	100.0

Table (2) Professional-Experience

Category	Frequency	Percent
Less than 5 Years	152	0.38
6 - 10 Years	180	0.45
More than 10 Years	68	0.17
Total	400	100.0

The study's findings showed that the internal consistency-based statistical technique for assessing reliability was valid and dependable since its Cronbach's alpha value was higher than (0.702). Table (3) indicates the reliability of the questionnaire. According to the Cronbach's alpha test, all variables' reliability was more than (0.702). We looked for multicollinearity between the variables in order to analyse the data.

Table (3) Reliability statistics

Measure	Cronbach's Alpha	N of Items
Accounting information system as control and auditor	0.702	6
Data storage contributes to the integrity of the financial reporting process.	0.794	5
Data storage in sufficient details to accurately and fairly reflect company asset.	0.712	4
Data processing has capable of making a difference in a decision by helping managers to form predictions about the outcomes of past, present, and future events to evaluate the effectiveness and efficiency of SMEs.	0.710	5
Data processing has capable of making a difference in a decision by helping managers to form predictions about the outcomes of past.	0.706	5
Data processing caused the improvement of the quality of the financial reports and facilitated the process of the company's transactions.	0.724	6
The automated data collection speed up the process to generate financial statements and overcome human weaknesses in data processing.	0.712	5

Table (4) shows correlations among study variables which include accounting information systems as control, auditor, and SMEs' accounting practices. **Firstly**, the correlation between accounting information system as control, auditor, and Identification and recording as accounting practices in SMEs is (0.270) which shows that the accounting information system as control, auditor, and SMEs accounting practices are correlated positively, even though it is weak. **Secondly**, accounting information systems as control and auditor, and SMEs' accounting practices are positively correlated, i.e. (0.274), and the significance level is high. **Thirdly**, accounting information systems as control, auditor, and SMEs accounting practices are significantly positively correlated, i.e. (0.274), and the significance level is high. **Fourthly**, the correlation between accounting information system as control, auditor, and SMEs accounting practices is (0.270), which shows that the accounting information system as control, auditor, and SMEs accounting practices are related positively, i.e. (0.270), and the significance level is high. **Fifth**, Correlation between accounting information system as control, auditor, and SMEs accounting practices is (0.268) which shows that the accounting information system as control, auditor, and SMEs accounting practices are correlated positively, i.e. (0.268), and the significance is high. **Lastly**, the correlation between accounting information system as control, auditor and SMEs accounting practices is (0.270) which shows that the accounting information system as control, auditor and SMEs accounting practices are correlated positively, even though the connection is weak.

Table 4: Correlations

Independents variables		Accounting information system (AIS)
1. Identification and recording as accounting practices in SMEs.	Pearson Correlation	.270
	Sig.(2-tailed)	.000
2. Identification and recording as accounting practices in SMEs.	Pearson Correlation	.274
	Sig.(2-tailed)	.000
3. Posting to the Ledger as accounting practices in SMEs.	Pearson Correlation	.274
	Sig.(2-tailed)	.000
4. Extracting a Trial Balance as accounting practices in SMEs.	Pearson Correlation	.270
	Sig.(2-tailed)	.000
5. Preparation of Income Statement as accounting practices in SMEs.	Pearson Correlation	.268
	Sig.(2-tailed)	.000
6. Preparation of position statement (Balance sheet) as accounting practices in SMEs.	Pearson Correlation	.270
	Sig.(2-tailed)	.000

Table 5 presents the variation in SMEs' accounting practices as shown by the R-square accounting information system as the control and auditor. The value of R is 0.287, which explains the cumulative relationship of accounting information systems as control, auditor, and SME accounting practices. Also, the table shows a 9% variation in SMEs' accounting practices due to accounting information

systems as control and auditor. The value of the F-test is (5.744), which identifies the fitness of the model with a p-value less than .05, i.e., 0.002, showing that the model fit is significant.

Table (5) Model Summary

R-value	.287
R Square Value	0.09
Adjusted R squared	0.070
F value	5.744
Significance value	.002

Table (5) R-square presents the variation in SMEs' accounting practices due to accounting information systems as control and auditor. R is valued at 0.287, which denotes the aggregate connection between AIS as control and auditor and SMEs' accounting practices. Also, the table shows that there is a 9% variation in SMEs' accounting practices due to accounting information systems as control and auditor. The model fit is significant, as indicated by the F-test value of (5.744), which finds the model's fitness with a p-value less than .05, or 0.002.

Table (6) Regression Coefficients

Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std.	Beta		
Constant	1.910	.391		4.906	.000
1. Identification and recording as accounting practices in SMEs.	.089	.087	.074	1.025	.312
2. Identification and recording as accounting practices in SMEs.	.295	.089	.0249	3.544	.001
3. Posting to the Ledger as accounting practices in SMEs.	.294	.088	.0247	3.542	.001
4. Extracting a Trial Balance as accounting practices in SMEs.	.088	.087	.075	1.024	.311
5. Preparation of Income Statement as accounting practices in SMEs.	.027	.069	.251	.387	.698
6. Preparation of position statement (Balance sheet) as accounting practices in SMEs.	.089	.086	.073	1.026	.313

Table (6) displays the regression coefficients of the coefficient that show the 'beta' value and the average of the accounting practices of SMEs, A= (1.910). It indicates that an increment of a unit in AIS will result in an increment of (.089) in the identification and recording of accounting practices in SMEs; the value of "beta" is (.295) in the identification and recording of accounting practices in SMEs; and the value of "beta" is (.294) in the posting of a unit increase in AIS to the ledger as accounting practices in SMEs. The value of "beta" is .089, indicating that an increase of a unit in AIS will lead to an increment of (.089) units in trial balance extraction when it comes to small-business accounting procedures. The 'beta' value is .089 units, indicating that a unit rise in AIS corresponds

to a (.089) unit increase in income statement preparation as a result of accounting methods in SMEs. Last but not least, the “beta” value of is.089 units, indicating that an increment of a unit in AIS would result in an increase of (.089) units in trial balance extraction as accounting procedures in SMEs. It is noteworthy to see that AIS contributes to the growth of trial balance extraction and income statement preparation as SME accounting procedures.

7. Conclusion

By offering insights into the potential impacts of accounting information systems as control and auditor on SMEs accounting practices in Iraq, we want to fill a research vacuum on SMEs. Thus, we investigated the connection between the accounting information system, auditor, and SMEs' accounting practices, and based on their findings, we discovered that:

1. The accounting information system, acting as a control and auditor, has a favourable relationship with the accounting practices of SMEs, eventually improving such practices. As a result, the first hypothesis (Ha) is confirmed, indicating that the identification and recording of accounting procedures in SMEs is significantly impacted by the accounting information system as a control and auditor. It indicates that better accounting procedures for SMEs are caused by the accounting information system as a control.
2. The connection between the AIS and SMEs' accounting practices was examined, and it was discovered that the system's role as control and auditor is positively correlated with the data storage in enough detail to fairly and accurately reveal the company's assets, which in turn improves the accounting practices of SMEs. As a result, the second hypothesis (Hb), which states that the AIS has a major impact on control and auditor posting to the ledger as well as SMEs accounting procedures, is accepted. It indicates that improved SMEs' accounting procedures are the result of using accounting information systems as control and auditors.
3. The connection between AIS as controls and auditors and SMEs accounting practices was examined. It was discovered that these relationships are positive and that data processing can influence decisions by assisting managers in forecasting the results of past, present, and future events and assessing the efficacy and efficiency of SMEs, which in turn improves SMEs accounting practices. As a result, the third hypothesis (Hc), which states that the auditor and accounting information system have a major influence on the trial balance extraction process as it relates to SMEs' accounting procedures, is accepted. It indicates that improved SMEs' accounting procedures are the result of using accounting information systems as control and auditors.
4. Since the accounting information system serves as a control, auditors and SMEs' accounting practices discovered that AIS is positively correlated with data processing and can influence decisions by assisting managers in generating forecasts about historical results, which eventually improves SMEs' accounting practices. Consequently, the fourth hypothesis (Hd) is accepted, indicating that the trial balance adjustment process for SMEs' accounting procedures is greatly impacted by the accounting information system as a control and auditor. It indicates that improved SMEs' accounting procedures are the result of using accounting information systems as control and auditors.
5. The fifth hypothesis (He) looks at how accounting information systems, such as control and auditors, affect the accounting procedures used by SMEs. Data processing has been shown to increase the quality of financial reports and to expedite business transactions. It is also favourably correlated

with the compilation of income statements, which is a step towards improving SMEs accounting standards. As a result, the fifth hypothesis is accepted, indicating that the auditor and accounting information system have a major influence on the income statement preparation process as it relates to SMEs' accounting procedures. It indicates that improved SMEs' accounting procedures are the result of using accounting information systems as control and auditors.

6. The sixth hypothesis (H_f) is accepted and indicates that there is a major influence of AIS as control and auditor on the preparation of position statement (Balance sheet) as SMEs accounting practices. In other words, accounting information system as control and auditor causes to have better SMEs accounting practices. The sixth hypothesis (H_f) examines the influence of accounting information system as control and auditor on the SMEs accounting practices. It is found that AIS is positively related with preparation of Income Statement as SMEs accounting practices which ultimately enhance the preparation of Income Statement as SMEs accounting practices.

Given the current surge in demand for AIS among SMEs, which has shown to be an effective control and auditor in managing the business, this study may offer evidence in favour of AIS installation. Future research might thus focus on how AIS affects SMEs' social and environmental performance reporting transparency, labour cost reduction, organisational decentralisation, social responsibility, and cost reduction.

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