
**EFFECT OF ORGANIZATIONAL VALUE ON QUALITY OF ACCOUNTING
INFORMATION SYSTEMS IN TURKEY**

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ABSTRACT

Purpose: Turkey is one of the countries which have adopted the International Accounting Standards and the International Financial Reporting Standards. Despite the provision of laws, policies and procedures to guide the preparation and reporting of accounting information, the quality of accounting information systems of state corporations is at stake. Financial loss and fraud results from general disregard of public finance management principles. The research determined the impact of organizational values on quality of accounting information systems.

Methodology: The study adopted both explanatory research and descriptive design. Descriptive research was used to describe characteristics of a population. The target population comprised of 84 staff from finance, accounting and auditing departments. Quality accounting information is produced by quality accounting information system as well. Good bookkeeping system, efficacy of the budgeting efficacy systems, and report of finance Turkey are as a result of quality accounting. Organizational values revealed a useful and remarkable linkage relationship with quality of accounting information. Further, regression findings showed that attention to details and quality of accounting information has a positive and significant relationship. It was also revealed that company's values influences quality of accounting information systems.

Recommendations: The study recommends for multi-team approach in preparing accounting information to ensure completeness and comprehensives. The study recommends for development of clear guidelines and procedures to be followed when preparing and reporting accounting information. There should be mechanism to ensure that acceptable preparation and reporting standards are upheld. The study recommends for clear and comprehensive steps when preparing counting information.

Key words: *Quality accounting, information system, organizational values, Turkey*

1.0 INTRODUCTION

Quality accounting information is achieved through quality accounting information system (Hall, 2011). Defective information will have a remarkable effect on business activity. Many companies are noticing that information that is quality is important to businesses' success (Ameen, Ahmed & Hafez, 2018). The information available in accounting or financial statements is very essential for decision makers and the users. The decisions taken will have uncertainty without effective information (Almazawdeh, 2015). Accounting information system have an essential part in giving important information to the regulation of the company about the establishment and achievement of particular end objectives (Napitupulu, 2018). The success or failure of a company in attaining its goals relies on the quality of the accounting information systems (Ali, Omar & Bakar, 2016). However, some organizations tend to disregard the policies and procedures guiding the provision and reporting of quality accounting information systems (Trabulsi, 2018).

Quality of accounting information has different standards to aid in making decisions to suit objectives of the user. There are four dimensions of the quality of information which are complete, relevant, timely and accurate (Sari, Lubis, Maksum, Lumbanraja & Muda, 2018). The quality of quality information according to Weber (1999) includes formativeness, timeliness, accuracy, precision, relevance, completeness, authenticity, uniqueness, conciseness and comprehensibility.

Organizational values rely on the activities happening daily. The increasing gap, together with the lag that live in reporting of finances, is making accounting reports less beneficial. Inter-organizational linkage assists in promoting value and lowering costs (Kwarteng & Aveh, 2018). The key components are the basic assumptions and the distinct companies worth that is there since the day of the organization's beginning. Organizational values establish the believed code of behaviors (Inah, Tapang & Uket, 2014). Companies are more productive when they are well-integrated and consistent with company's objectives. Productive companies integrate involvement and consistency in a continual cycle such that involvement is applied to give possible solutions and ideas, that are then refined into a briefer set of concepts.

A Frost et al. (1985) stressed the significance of beliefs that are shared, values and consistency in company productivity. Frost et al. (1985) proclaim that meaning that is shared has a useful effect due to company's members all work from the same support of beliefs and values which shapes the basis by which they communicate. Consistency is when there is the existence of systems of companies and procedures that enable real alignment and efficiency over time. It is the focus on the same regulation concepts, consensus regarding right and wrong ways to do things and coordination and integration across the company (Wisna, 2015).

Value is placed on working jointly towards the same objective that all workers feel mutually accountable (Mustafa, Glavee-Geo & Rice, 2017). Organization's members share a set of values that create a strong sense of identity and a clear set of expectations (consistency). Regardless of how values, norms and beliefs institutionalized to form behavior of the individual, and to socially construct accounting information and reporting practice, this research summarized that the accounting information system and financial reporting activity is a socially dynamic process. It is a socially constructed reality involving interplay between individual, social values and organizations to ensure corporate performance.

Organization value has a strong effect on accounting information systems development. Turkey is one of the countries which have adopted the International Accounting Standards and the International Financial Reporting Standards (Uyar et al., 2016); the standards have been named the Turkish Accounting Standards and the Turkish Financial Reporting Standards. A well-functioning accounting information system (AIS), free from fraud, is likely to assist the efficiency of capital markets, enhance the corporate governance level in companies, improve investor confidence, build a better business world. Good bookkeeping system, efficacy of financial reporting, and efficacy of the budgeting system in Turkey are due to the quality accounting. In order to access international financing resources, Turkey must also provide quality financial information to stakeholders.

1.2 Statement of the Problem

Quality accounting information system that is timely, accurate, flexible to suit environmental changes, control economic activities and provide administration the necessary information to plan and an effective feedback mechanism is effective and efficient. Well-designed and quality accounting information system simplifies getting information to interested users by an authorized access. Also, auditors can apply the data to assess organizational internal controls, financial condition and the compliance with the Sarbanes-Oxley act. The quality of accounting information systems can be enhanced through by user competence and management commitment (Iskandar, 2015).

There are limited existing studies conducted in Turkey on impact of organizational culture on quality of accounting information systems with special focus on state owned corporations. A study by Wisna (2015) on the culture of the organization and its effect on the quality of accounting information systems showed that showed company's tradition plays a remarkable role in improving the quality of accounting information system. However, research failed to indicate the mechanisms employed to enhance quality of accounting information systems. In a study on the effect of accounting information systems' quality on the linkage between culture of the organization and accounting information in Jordanian Industrial Public Shareholding Companies Aldegi (2018) studied that there is an influence for the quality of accounting information systems on the linkage between organizational cultures and accounting information in Jordanian industrial public shareholding companies. However, the research failed to illustrate the direct effect organizational values on the quality of accounting information systems reported which the current study plans to mitigate.

2.0 LITERATURE REVIEW

2.1 Theoretical Framework

This study was conducted through Schein's Theory of Organizational Culture. Schein's Theory of Organizational Culture was proposed by Schein's in 1980. The theory has three domains: artefacts, espoused values and basic underlying. Artifacts are the surface level of a company's tradition, easily seen and felt, tangible, and felt manifestations such products, language physical environment, clothing technology, stories, myths, published rituals, ceremonies and rituals (Scott-Findlay & Golden-Biddle, 2005). Espoused beliefs and values include goals, strategies,

norms shared perceptions and shared assumptions, beliefs and values instilled by founders and leaders (Schein, 2010). According to James and Jones (2005) basic existing assumptions are the base ranks of company's tradition, and are the deeply-embedded, unconscious, taken for granted assumptions that are shared with. The Schein's Model of Organizational Culture enhances companies to recompose its beliefs by using the principle put forward by the model. It shows the several ranks of each company's tradition and the concepts to take into account.

This theory has been used to lead this research as it suggests that espoused values and the fundamental underlying assumptions and procedures should be sown in a company's tradition when reporting accounting information. The theory is relevant when underlining key elements to be considered when dealing with financial accounting information.

3.0 METHODOLOGY

The study adopted both explanatory research and descriptive design. Descriptive research was used to describe characteristics of a population. The target population comprised of 84 staff from finance, accounting and auditing departments. This represented 10% of the target population. Questionnaires were self-administered to the respondents to the respondents. Inferential and descriptive statistics were applied to examine the data.

4.0 RESULTS

4.1 Organizational values

The study sought to examine the effect of companies values on quality of accounting information systems. For the purposes of interpretation strongly disagree and disagree were interpreted together as disagreeing, agree and disagree were grouped and interpreted as agreeing while unsure was interpreted alone. The results obtained are presented in Table 1.

Table 1 Organizational values

Organizational values	Strongly		Unsure	Strongly		Mean	SD
	Disagree	Disagree		Agree	Agree		
In this corporation;							
We have shared beliefs on quality of accounting information	6.3%	6.3%	6.3%	34.9%	46.0%	4.1	1.2
There is consistency in the preparation and reporting of accounting information	30.2%	44.4%	7.9%	11.1%	6.3%	2.2	1.2
Accountability of financial information is observed	41.3%	30.2%	1.6%	9.5%	17.5%	2.3	1.5
The accounting information is well-integrated with							
organizational goals	23.8%	46.0%	14.3%	7.9%	7.9%	2.1	1.2
Accounting information is reported on timely manner	36.5%	38.1%	1.6%	12.7%	11.1%	2.2	1.4

Table 1 shows that majority of employees agreed that in the corporation; employees have shared beliefs on quality of accounting information, with mean score of 4.1 and standard deviation of 1.2 implying that having shared beliefs enhances quality of accounting information. The results also indicated that majority of the employees disagreed that there is consistency in the preparation and reporting of accounting information to enhance quality of accounting information with mean score of 2.2 and standard deviation of 1.2 implying that consistency in

the preparation and reporting of accounting information is required in providing quality accounting information. The results also showed that majority of the employees disagreed that accountability of financial information is observed with mean score of 2.3 and standard deviation of 1.5 implying that accountability of financial information is an important aspect of quality accounting information. It was also revealed that majority of employees disagreed that the accounting information is well-integrated with organizational goals, with mean score of 2.1 and standard deviation of 1.2 implying lack of a well-integrated organizational goals derails the provision of quality accounting information. Further, also revealed that majority of employees disagreed that accounting information is reported on timely manner, with mean score of 2.2 and standard deviation of 1.4 implying that timely reporting accounting information is an important aspect.

4.2 Quality of accounting information

The research tried to measure quality of accounting information systems. A likert scale with options of 5- very good, 4- good, 3 - fair, 2 poor, 1 – very poor. For the purposes of interpretation very poor and poor were interpreted together as poor, very good and good were grouped and interpreted as good while fair was interpreted alone. The findings obtained are shown in Table 2.

Table 2 Quality of accounting information

Quality of accounting information	Quality of					Mean	Standard Deviation
	very poor	poor	fair	Good	Very good		
Functionality	11.1%	9.5%	54.0%	14.3%	11.1%	3.0	1.1
Reliability	14.3%	12.7%	46.0%	17.5%	9.5%	3.1	1.3
Usability	15.9%	15.9%	47.6%	7.9%	12.7%	2.9	1.2
Efficiency	14.3%	12.7%	50.8%	15.9%	6.3%	2.9	1.1
Maintainability	17.5%	14.3%	47.6%	9.5%	11.1%	2.8	1.2

Table 2 shows that majority of employees rated functionality as measure of quality of accounting information fair, with mean score of 3.0 and standard deviation of 1.1 implying that functionality requires improvement. Reliability of accounting information was also rated fair with mean score of 3.1 and standard deviation of 1.3 implying that reliability of accounting information requires

improvement. Usability of accounting information was rated fair with mean score of 2.9 and standard deviation of 1.2 with mean score of 2.9 and standard deviation of 1.1 implying that usability of accounting data requires improvement. Maintainability was rated fair, with mean score of 2.8 and standard deviation of 1.2. From the above measurement of quality accounting information, a lot of improvement is required signifying presence of a problem in the provision of quality accounting information Turkey.

4.3 Regression

Table 3 present model summary, Anova and results of the aggression.

Table 3 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
	.639 ^a	.404	.383	.26347

a. Predictors: (Constant), Organizational values

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	9.556	4	2.389	34.416	.000 ^b
Residual	4.026	58	.069		
Total	13.582	62			

a. Dependent Variable: Quality of accounting information

b. Predictors: (Constant), Organizational values,

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
(Constant)	.083	.254		.327	.745
Organizational values	.268	.083	.296	3.239	.002

a. Dependent Variable: Quality of accounting information

Organizational values explaining 40.4% of quality of accounting information. Quality accounting information is produced by quality accounting information system as well. Information of poor quality will have a remarkable effect on the business' activity. Many companies are noticing that quality information is important to the businesses success. Accounting information system has a crucial part in providing important information to the regulation of the company on the establishment and achievement of specific end objectives.

The results indicate that the organizational values were statistically significant in predicting quality of accounting information. The company's tradition, by its norms, values, assumptions and symbols, establishes the manner in which the members of a company's interpret and perceive the truth within and around their company, as well and manner they behave in that truth. By knowing better, the behavior of the company's tradition it will easily identify the necessary information systems organization, organizational culture is important because it is used in external and internal communications within a company

The results also revealed that organizational values and quality of accounting information have a positive and significant relationship ($\beta=.268$, $p=0.002<0.05$). The regression of coefficient implies that if organizational values increase by one unit, the quality of accounting information reduces by .268 units. Companies are more productive when they are well-integrated and with organizational goals. Organizations that are effective integrate consistency and involvement in a continual cycle such that involvement is applied to give possible solutions and ideas which are then refined into a briefer set of concepts. Organizational values depend on the events occurring on a daily basis. The results are in line with Sari and Purwanegara (2016) that the culture of the organization, implementation intern accounting information system, organizational value, commitment of management, information technology and style leadership have a significant effect on the quality of accounting information systems. Moreover, it was found concluded that the quality of accounting information system has effects on the quality of accounting information. Endraria (2018) concluded that organizational values have an effect on to quality accounting information system. According to Taweel and Hamdan (2014) there is an upright linkage between the quality of the accounting information system and its perceived importance, together with direct upright linkage between cooperation and the human resources orientation the recognized significance of the accounting information system.

5.0 CONCLUSION

From the study findings, it was also concluded that organizational values affect quality of accounting information systems. Companies are more operative when they well-integrated and consistent with organizational goals. Organizational values may describe how accounting information should be generated and reported.

6.0 RECOMMENDATIONS

Organization values of the organization describe procedures and methodologies in preparing and reporting accounting information. The study recommends for development of clear guidelines and procedures to be followed when preparing and reporting accounting information. There should be mechanism to ensure that acceptable preparation and reporting standards are upheld.

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