

# **The contribution of the ERP system to the activation of the accounting information system in the economic institution**

**Ahmed Gaid Nouredine**

**University of Mohammed Khader Biskra Algeria**

**Helaili Islam**

**University of Mohammed Khader Biskra Algeria**

**Summary:** The goal of this research is to identify the contribution of the ERP system in the activation of the system of accounting information in the economic enterprise. That is by referring to what the ERP system is through definition, clarifying its features, the requirements of good application, and demonstrating that the information system of accounting is one of the most important information systems in the enterprise by addressing its concept, characteristics, and functions, through to the contributions of the ERP system in the Accounting Information System.

One of the most important findings of this study is that the ERP system is one of the most important means of information technology designed to activate the accounting information system through two aspects:

The aspect of information and data as well as the aspect of the system itself and what it needs from the branches or rather the aspect of run Information and run operations. Regarding the aspect of operating information to the ERP system ensures the accounting information system assimilated, appropriate and timely amount of data (information completion)). This is what leads for the outputs of the Accounting Information System being of good quality. On the operational aspect, which is by means of the coordination of all subsystems of the enterprise's Accounting Information System and their incorporation (process completion) all result in the activation of the enterprise's accounting information system and the granting of competitive status.

**Keywords:** Enterprise Resource Planning System ERP, Accounting Information System, Accounting Information System Activation.

## **1. Introduction:**

Among the most important features of the modern era is technological progress and the information and software revolution. Which has prompted public institutions and the economic institution in particular to look for systems to: develop their business so that they can adapt to the surrounding environment, face great competition with other institutions, and try to adopt new technology that helps them to achieve excellence.

All of this can be achieved through systems that integrate and link Enterprise Information Systems both internally and externally. The internal integration lies in linking the information systems of the enterprise to each other. The external integration comes from linking information systems to enterprise

systems with information on customers, therefore, enterprises seek to use information systems that connects and promotes the functions of the institution under the challenges they face. Therefore, enterprise resource planning (ERP) systems have emerged as programs designed to create integration of enterprise activities through the interconnection of different functions in the enterprises.

### **1.1. Raising the Problem:**

Speaking of the accounting information system and the accounting information, it provides to the economic establishment to determine its financial position and this accounting information in order to contribute to the correct determination of the situation it must have qualitative characteristics. After obtaining the information, it must be stored for reference to make comparisons, where we find that the accounting information system provides a database for keeping this accounting information on one hand, on the other hand and in response to the requirements of information technology. Institutions are now moving towards achieving integration and interdependence in enterprise information systems through the application of the ERP system that provides a centralized integrated database that includes all the functions of the institution and all the databases in the institution, whether administrative or accounting. Based on the previous proposition, the problem can be formulated as follows:

### **How does ERP system contribute to activating the accounting information system in the economic institution?**

Based on the previous problem, the following sub-questions could be asked:

- What is the enterprise resource planning system?
- What is the accounting information system?
- What are the contributions of the ERP system in activating the accounting information system in the economic institution?

### **1.2. Hypotheses:** We have adopted the following hypothesis in an attempt to answer the problem of study:

- The ERP system does the accounting information system from two aspects: The information running aspect and the operation running aspect.

### **1.3. Goals of The Study:** This topic has several objectives:

- Address all concepts related to ERP.
- Address the accounting information system and all its components and characteristics.
- Know the requirements for applying ERP.
- Show the contribution of ERP in activating the accounting information system in the economic institution.

### **1.4. Methodology of The Study:** Due to the nature of the study and in an attempt to achieve its objectives, it was necessary to follow the descriptive analytical approach. Which is based on the collection of data and information, as this approach aims to simplify the information and the ideas it contains; on the one hand, and to deepen the analysis on the other.

Based on the problem and the aforementioned objectives, the study can be divided into the following:

- What is ERP.
- What is the accounting information system.
- The contribution of the organization's resource planning system to the activation of the accounting information system in the organization.

## **2. What is ERP?**

Institutions of all kinds are implemented and operated by ERP, where ERP is the backbone of multifunctional organizations, which automatically integrates a lot of internal processes, information systems and services into a unified program and for more information, the following must be addressed.

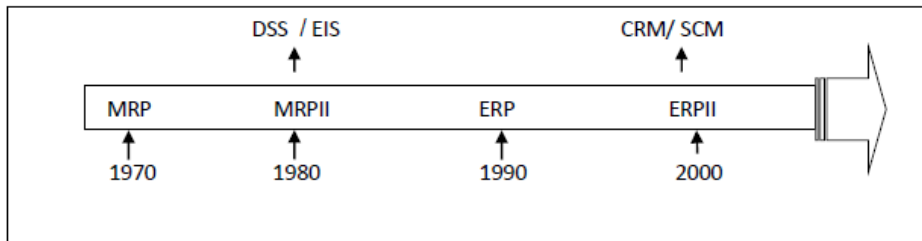
### **2.1. The Historical Development of The Enterprise Resource Planning System:**

Knowing the history and development of ERP is essential to understanding the current application and its developments, and herein we review the most important stages of the emergence and development of the ERP system<sup>1</sup>. The first phase of the ERP was implemented in 1970 through a system called MRP Material Requirements Planning and the focus of the MRP program was on internal production planning, through the calculation of time requirements, procurement, and material planning. The MRP program does not focus on any kind of services. Rather, it is a matter of providing the right materials in a timely manner, and MRP is a major step forward in the planning process. The new generation of these systems was then introduced with the beginning of 1980 under the name of the planning of the manufacturing resource MRPII Manufacturing Resource Planning. MRPII integrated the system of accounting and financial management. The MRPII systems have also crossed the boundaries of the production functions from which they started. After that, the DSS decision support system and EIS executive information systems appeared, which enabled the organization to have a semi-integrated business system, and thus integrated IT systems provided a competitive advantage to these institutions. The major transformation in the late 1980s and the beginning of the 1990s was a clear need to develop a complete system that would enable the use of stored data in the common databases on a large scale, which has become a top priority for information technology specialists. This widely used joint database was called Enterprise Resource Planning ERP. ERP includes all stages of planning the foundation's resources: including product design, storage, material planning, planning capacity, and communication systems. ERP systems help organizations become more flexible through the integration of information through access to all basic programs, including access to all programs in a timely manner. ERP systems have evolved into what is now referred to as ERP II, and over the past few years, the functional limits of ERP II systems have begun to expand through SCM supply chain management and CRM. The following format can be used to illustrate the stages of the emergence and development of a system that plans enterprise resources:

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<sup>1</sup> Ben Tayeb Ibrahim, ERP system and its most important modern economic institutions, Journal of North African Economics, University of Hassiba Ben Bouali Chlef, Volume 14, Issue 18, 2018, P 192-193.

**Figure 01: Stages in the evolution of the ERP system**



Source:  
**Stephen  
Haag,  
Maeve  
Cummings,  
Information  
systems**

**essentials, McGraw-Hill, USA, 2009, P199.**

**2.2. Definition of an ERP system:** The following definitions can be included

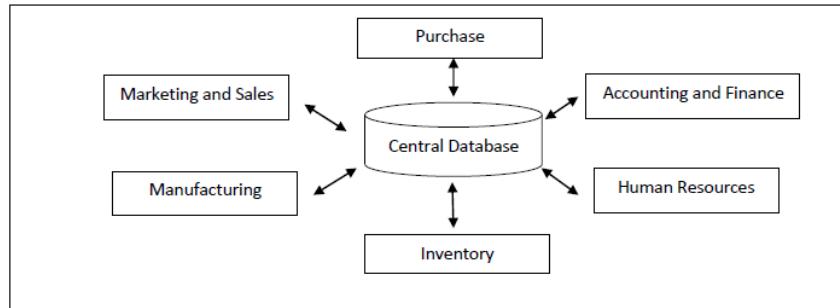
- According to *Jean-Louis Lequeux*, the term ERP is "an integrated management program that combines a set of automated media applications, formed and coordinated with each other, with the aim of integrating and improving the management processes, setting a single reference (a single database)." <sup>2</sup>
- *Haag & Cummings* defines the enterprise resource planning system as "a collection of integrated programs for business management, accounting, finance, human resource management, project management, inventory management, maintenance service and management, transportation, electronic commerce, supply chain, and customer relations management, And electronic cooperation, it includes all the technology and software systems in the enterprise." <sup>3</sup>

From the above we can conclude that ERP is a comprehensive program that connects all the functions of the organization within a common database that facilitates all functions and processes in the organization to be exploited according to the needs of data and information. Which is through the flexibility of the options and advantages that the program gives each user according to their level of the job and needs of that data and information. Therefore, we can say that the essence of the ERP system work is the central database that collects information from all components of individual applications that are called units for all various business functions such as accounting, manufacturing, marketing, human resources, etc. When the user enters or updates information in one unit, the entire system immediately performs the automatic update.

<sup>2</sup> Jean-Louis LEQUEUX, Manager with ERP (Service Oriented Architecture) Organizational Publishing, Eyrolles Group, Paris, France, 3rd edition, 2008, P 31.

<sup>3</sup> Stephen Haag, Maeve Cummings, Information systems essentials, McGraw-Hill, USA, 2009, P 52.

The following format is pro



**Figure 02: Information Link in ERP**

Source : **Paige Baltzan, Amy Phillips, Essentials of business driven information systems, McGraw-Hill, USA, 2009, P159.**

**2.3. Reasons for adopting the ERP system:** The book divides the reasons for adopting the ERP system into two types of reasons, including technical and administrative reasons. Below is a brief presentation of these reasons.<sup>4</sup>

**A. Administrative Reasons:**

- Enabling business growth.
- Improve the efficiency of system processes.
- Reduce data processing time and improve retrieval.
- Gain time and improve the quality of decision-making in the organization.
- Get more accurate and comprehensive information to solve aspects of the problem.
- Improving the image of the institution in front of its various clients.
- Facilitate the exchange of information between different departments and branches.

**B. Technical reasons:**

- Solve the y2k problem.
- Replace traditional systems in the organization.
- Software maintenance by hiring more experienced individuals
- Avoid repeating data.
- Reduce the number of errors.
- Reduced setup time.
- Integration of applications across processes

**2.4. Advantages of ERP:** which are:<sup>5</sup>

<sup>4</sup> Galani Despina, Efthymios Gravas and Antonios Stavropoulos , ERP Benefits and Firm Performance in Greece, Galani, Gravas, Stavropoulos, 2010, P 173.

<sup>5</sup> Jamal Saedani, ERP in Small and Medium Enterprises, New Economy Journal Khamis Miliana, Issue 15, Volume 02, 2016, P 265.

- a. The unit and completeness of information systems: in the sense that the planning of the organization's resources provides a single working environment through its single database and this is reflected in the possibility of many physical databases but all of them adhere to a single structure. In short, the planning of the organization's resources can avoid the repetition of information between the various information systems in the organization, i.e. the completion and integration of the enterprise's processes.
- b. The user can record the data instantly and retrieve it at any time. Another positive advantage is that the greetings in the updates are done in a record time and extended to other software units, i.e. the exchange of data throughout the organization.
- c. ERP is a multi-lingual and currency tool, and is therefore adapted to the global market.
- d. ERP systems operate, ensure, and control multiple stages such as the accounting cycle.
- e. ERP enables control over all activities of the institution and all its functions and interests.

**2.5. The requirements for the application of the ERP system:** Organizations are required to provide the following requirements that ensure that the benefits and qualities of the ERP system are optimized and these requirements can be determined as follows: <sup>6</sup>

- a. **Contracting with ERP service providers with great care because of their important role in carrying out the ERP system with the basic functions entrusted to it.** One of the most important reasons for successful ERP implementation is to contract a service provider with a vendor in this field. This provider ought to be officially licensed to carry out the application process from the parent company of the program to be applied. As contracting with a service provider does not have experience in this area will either lead to an application that does not fulfill the purpose, and does not achieve the desired benefits from it, or leads to a failure of the application from the beginning.
- b. **Concerted efforts at all levels of management.** The basic function of the ERP system is to achieve the organization's information needs, and in order to achieve the desired objectives, efforts must be combined at the administrative level at the top of the organizational structure, as well as the efforts of the staff must be combined even below the organizational structure.
- c. **Designing a system that suits the real needs of the organization.** The organization must:

Define the goals behind the acquisition of the ERP system in a clear manner, specify the procedures and processes that all functions inside the organization perform in detail, and identify the defects of the traditional system application. So that the provider of the organization's resource planning system designs a system that suits the real needs of the institution.

- d. **Its administrators should properly implement the organization's resource planning system:** the ERP system should be well received by the beneficiaries when applied at all levels. Although, this requires a highly conscious management in dealing with developments as a result of the shift from traditional systems to enterprise resource planning systems. In addition, the need to apply the system properly from the staff so that the information and data extracted from the system is more reliable to the management in

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<sup>6</sup>Abdul-Majid Muhammad Munir Jombaze, The Impact of The Application of ERP on The Effectiveness of Accounting Data, PhD thesis, majoring in Accounting, Faculty of Economics, University of Kaye, Sudan, 2018, P P 41-46.

the sense of accuracy, credibility and fulfilling the needs of management to make timely decisions and this is what the ERP system must ensure.

### **3. What is the accounting information system:**

The accounting information system is one of the most important modern systems, which most institutions seek to keep up with it in this era and keep pace with all its advances in order to distinguish and keep pace with developments in the business environment. To clarify the accounting information system it is necessary to address the following:

#### **3.1. Important definitions of the system and information:**

- **System definition:** 'The term system can generally be defined as a coherent and homogeneous set of resources and elements (individuals, equipment, machinery, funds, records) that interact with each other within a particular framework (system boundaries) and act as a single unit towards achieving a general goal or set of objectives under the surrounding environmental conditions or constraints.'<sup>7</sup>
- **Definition of information:** It can be defined as 'the term information expresses data that has been operated in a certain way that has led to meaningful results for its users'<sup>8</sup>, as it is known as 'the result of organizing, arranging, scheduling or transferring data by system to selected sets of data collected in a certain way, which increases its value to the beneficiary or user'<sup>9</sup>
- **The difference between data and information:** 'as the relationship between information and data is manifested in the fact that the data represents input processed to obtain information'.<sup>10</sup>
- **Definition of accounting information:** Accounting information in particular is defined as 'the product of the accounting information system that has been fed, recorded and produced in the form of financial reports. The purpose of which is the engine of the management for running its projects and the effectiveness of management depends on the availability of this accounting information necessary for planning, guidance and oversight'.<sup>11</sup>

#### **3.2. Definition of the accounting information system:** The following definitions can be provided:

- The accounting information system can be defined as 'that essential and important part of the administrative information system in the business economic unit that calculates and aggregates financial statements from sources outside and within the economic unit and then triggers such data and converts it into useful financial information for users of this information outside and inside the economic unit'<sup>12</sup>

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<sup>7</sup> Ahmed Hussein Ali Hussein, Accounting Information Systems the Intellectual Framework and Applied Systems, University House, Alexandria, Egypt, 2004, P 13.

<sup>8</sup> Ahmed Hussein Ali Hussein, previous reference, P 25.

<sup>9</sup> Yahya Mustafa Helmy, Fundamentals of Information Systems, Al-Ahram Foundation for Publishing and Distribution, Cairo, Egypt, 1998, P 72.

<sup>10</sup> Thanaa Ali Al-Qabbani, Accounting Information Systems, University House, Alexandria, Egypt, 2003, P 9.

<sup>11</sup> Nasser Muhammad Ali Al-Mahjali, Characteristics of Accounting Information and its Impact on Decision Making: A Case Study of an Economic Institution, Unpublished Master Note, Faculty of Economic, Commercial and Management Sciences, University of Batna, Algeria, 2009, P 24.

<sup>12</sup> Ahmed Hussein Ali Hussein, previous reference, P 47.

- Also known as 'one of the subsystems of the economic unit consists of several subsystems that work together in a coherent, coordinated and reciprocal manner with the aim of providing historical, current, future financial and non-financial information to all those interested in the economic unit and in the interest of achieving its objectives'<sup>13</sup>.

We note from the above that the accounting information system is not an alternative to the administrative information system nor is it separate from it; however, it is considered one of the subsystems of the administrative information system within the economic unit. I say that the accounting information system is one of the most important and largest subsystems in the administrative information system. Furthermore, I see that it is comprehensive as it extends to all the activity of the economic unit and provides useful information to managers at all administrative levels. In addition to the overlap of the accounting information system and its interaction with other subsystems that can exist in the administrative information system.

**3.3. Components of the accounting information system:** The accounting information system is like any system that consists of a group of elements to achieve its goal for which it was established, these elements we collect as following:<sup>14</sup>

- a. Documents and supporting documents that support the financial operations that take place in the economic establishment.
- b. The databases in which the financial statements related to financial operations are stored.
- c. Computer application programs that process data to convert it into useful and appropriate information.
- d. The accounting procedures drawn and written for the sequence of financial operations in the institution.
- e. Individuals working with one or more elements of the accounting information system. The electronic and technological communication means used in the accounting information system.

**3.4. Characteristics of the Accounting Information System:** It can be summarized as follows:<sup>15</sup>

- a. The goals of the system should be as specific as possible so that it can be designed in the appropriate way to achieve them.
- b. To be flexible enough to adapt to the changes in the goals and the circumstances surrounding the system.
- c. The system should be stable, so that it can maintain the consistency of the relationship between the values of its variables.
- d. The system should have sufficient relations to link its basic and environmental pillars, which surround each other in such a way as to allow a system to achieve the desired state of stability.

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<sup>13</sup> Hisham Omar Hammoudi Abdul, 2016, Using Accounting Information System in Accordance with the Sharia Accounting Method in the Zakat Fund, Arab Organization for Administrative Development at the League of Arab States, Cairo, Egypt, P 78.

<sup>14</sup> Amira Sharaf Abdel-Din, and others, calculated accounting information systems and their impact on financial performance in commercial institutions, supplementary research for a Bachelor's degree, Department of Accounting and Finance, Faculty of Business Studies, Sudan University, 2017, P 17.

<sup>15</sup> Farid Kortel, Khaled Al-Khatib, Information Systems for Decision Making, Zamzam, Jordan, 2015, P 66.

- e. It must achieve a high degree of accuracy and speed in the processing of financial statements when transferring accounting information.
- f. To provide the management with the necessary and timely accounting information to make the decision to choose an alternative from the available alternatives for management.
- g. To provide the administration with the information necessary to achieve oversight and evaluation of the activities of the economic establishment.
- h. To provide management with the necessary information to assist it in its important function, which is the short, medium and long-term planning of the organization's future business.
- i. Be quick and accurate in retrieving the quantitative and descriptive information stored in their databases when needed.
- j. To be sufficiently flexible when it is necessary to be to suit the urgent changes that are in place for the organization.

**3.5. Accounting Information System Functions:** Among the most important functions performed by these systems are the following:<sup>16</sup>

- a. The function of collecting, classifying and indexing accounting data.
- b. The function of reviewing, entering and storing the accounting data in the system.
- c. The function of operating and processing accounting data to convert information that serves the objectives of the organization through the steps of the production of information and with the help of applied software.
- d. The function of storing accounting information and managing the data bank.
- e. The function of transferring and communicating information to its users, and displaying it in the appropriate way.
- f. The function of controlling and protecting data, ensuring its accuracy and integrity and thus the accuracy of the information.

**4. Contribution of the ERP system in activating the accounting information system:** In this part of the study, we will focus on detailing the contributions of ERP to the accounting information system in order to activate it and make it at a particularly competitive level and to improve the performance of the institutions in general. As ERP can trigger the accounting information system on two aspects the side of information, financial, and accounting data. In addition to the aspect of the system itself and its branches, or rather the operation of the information and the operating the operations.

#### **4.1. Data and Information Side (Operation of Information):**

Where the accounting information system is based on the data and financial and accounting information that is considered its input, which is converted into outputs through the operations of the accounting information system. Where those outputs are represented in the lists and financial reports and to obtain quality outputs must also be the inputs of quality. Which is guaranteed by ERP to the system accounting information system; by fulfilling the information and data by entering all operations into the system by including that data in the database central data and then the ERP system distributes these restrictions on the accounts

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<sup>16</sup> Fayyad Hamza Ramli, Accounting Accounting Information Systems, Sudan Al-Qala Press Khartoum, Sudan, 2011, P 66.

of the General Manager automatically. Then, these data are used and quickly converted into information that reflects the financial position of the institution and allows the preparation of the final financial statements and the preparation of the required reports from the administration, as soon as possible.

Likewise, the ERP system works to integrate information (information completion) within the organization and not to contradict nor duplicate information despite its different sources and guarantees its accuracy. This is with regard to the inputs of the accounting information system. As for the outputs of the accounting information system, the ERP system works on arranging, classifying and completing it, making it usable and facilitating the possibility of referring to it in order to make comparisons or restart it again.

Therefore, the ERP system guarantees the accounting information system in terms of data and information operation as follows:

- a. **Information integration:** Integration is one of the most important objectives of the ERP system by providing the unified database system with the aim of excluding conflicting information, creating channels of communication between the interests of the organization at the right time and linking all components of the organizational structure of the organization in a way that supports integration.<sup>17</sup>
- b. **The quality and accuracy of information:** The quality of information and data is one of the most important objectives of ERP. Because of its importance as the primary source of decision-making where the system requires accuracy and credibility in order for the organization's decisions to be consistent with what it wishes to reach.<sup>18</sup>

The quality of the information is also related to the quality of the information circulating within the organization. It is supposed to be produced by the ERP in the presence of this system can ensure the proper flow of information at both internal and external levels, i.e. the availability of information about suppliers and customers and the availability of information for management in a timely manner.<sup>19</sup>

The quality of information and data is therefore a fundamental principle of ERP application and its quality is measured by the timely availability of beneficiaries and in the appropriate quantity, making the process of guiding the accounting information system more effective.

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#### **4.2. System and its subsystems Side (process operation):**

The ERP system ensures that the accounting information system in the operating the operations is sufficient to activate it and make it respond to the expectations of the economic institution and deliver it to a competitive situation. In what follows we will address the most

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<sup>17</sup> Azevedo, Romao, and Rebelo, Advantages, limitations and solutions in the use of ERP systems (Enterprise Resource Planning) A case study in the hospitality industry, *Procedia Technology*, Vol 5, 2012, P 136.

<sup>18</sup> Jahani, Masoud. and Soofi, Fereshteh, The Effect of Enterprise Resource Planning (ERP) Systems on the Correct determination of the Cost for a Cement Plant Admitted to Tehran Stock Exchange, *Advances in Environmental Biology*, vol 7, 2013, P 80.

<sup>19</sup> Daoud, H and Triki, Mac counting Information Systems in an ERP Environment and Tunisian Firm Performance *The International journal of digital accounting research*, Vol. 13, No 1, 2013, P 122.

<sup>20</sup> Mazzawi, R, Enterprise Resource Planning Implement Lon Failure A Case Study from Jordan. *Journal of Business Administration and Management Sciences Research*, vol 3, 2014, P 45.

important subsystems of the accounting information system in the economic institution and what is included in the ERP system planning system to it.<sup>21</sup>

- a. **For Financial Management:** simplifies and completes financial management through its program that integrates accounting, sales and procurement data and which leads to permanent monitoring of important financial information to ensure business continuity properly with the ability to determine the changes that must be made to achieve excellence for the institution.
- b. **For Procurement Department:** ERP provides the ability to record the daily mobility of purchases such as purchase transactions, payments to suppliers, debit and credit settlements, and to register purchase orders to obtain financial status with suppliers through numerous queries and various reports in detail or brief.
- c. **Manufacturing Management:** ERP Manufacturing Management ensures that integrated processes are carried out, whether related to internal manufacturing, third-party manufacturing or supervised third-party manufacturing, whether the manufacturing process is one stage or more, whether the materials used are one or more materials. In addition to the possibility of defining the composition of the materials manufactured from raw materials to facilitate automatic registration in the extraction of raw materials and entry of manufactured materials from and to warehouses and knowing the cost before the manufacturing. It can also extract the cost statements of a manufactured material from raw materials, working hours, wages and fixed and variable expenses during a variable time-period from day to year and can link manufacturing with standard models and knowing the deviations between the standard and the actual.
- d. Sales management ERP ensures that the daily traffic of sales, such as sales transactions, receiving from customers, debit and credit settlements, and the registration of supply requests for financial status with customers, can be recorded through numerous queries and various reports in detail or brief.
- e. **For accounting management:** It branches into the following.
  - **General ledger:** The ERP system for general ledger books ensures direct registration as a result of automatic movement of restrictions for sales, purchases, warehousing and manufacturing operations. This leads to direct inquiries about daily movement and account statements, in detail or in short, allowing daily account balances to be determined.
  - **Fixed Assets:** The ERP system ensures that fixed assets are handled with great accuracy on a regular basis, and this is done through pre-determination of the value of the asset. Re-evaluation or changing the methods of depreciation.
  - **Receipt and payment notes:** The ERP system for this part of the accounting information system provides real-time processing as part of the basic accounting movement and gives the possibility to arrange them according to the sequence of customers and suppliers and according to the due dates for easy follow-up.
  - **Inventory:** The ERP system provides the ability to organize inventory operations for warehouses by providing inventory cards and giving differences after manually or

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<sup>21</sup> Abdul-Majid Muhammad Munir Jombaze, previous reference, P P 115-117.

automatically entering inventories and automatic correction of material stocks quantities and costs according to actual inventory results.

- **Estimated budgets:** The ERP system ensures that estimated budgets are optionally used to carry out pre-planning for months or years.
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- f. **For Multiple branches:** The ERP system ensures the ability to deal with unlimited branches. As the accounts of these branches are affected automatically by transaction documents and their detailed statements, auditing balance reports, and general budgets. Each branch can be monitored separately or all branches combined, and knowledge of the profits of each branch individually or gross profit for all branches. This is on a monthly, quarterly, semiannually or annual basis, depending on the need of the parent institution.

## 5. Conclusion:

The ERP system is a data-processing project that is designed to coordinate all activities, resources and information within the organization. It works to support all the basic operations of the institution.

Among the most prominent operations carried out by this system is its support for the information systems in the organization in general and the accounting information system in particular. By merging all the data in one database common to the various systems of the organization, allowing all levels to benefit from all the information of that base and store all its work on it. In addition, the ability to recover all necessary and stored information, link all work with each other in order to achieve integration, and complete information and operations. In light of this, we see that the adoption of the ERP system and the success of its application in contemporary institutions; contributes significantly to the development of the work of the institution from during its activation of its information systems, especially accounting systems, because of its great importance in the organization.

### 5.1. Testing validity of hypotheses:

- **Hypothesis:** 'ERP operates a two-sided accounting information system by the operating of information and operation of processes'. This assumption has been validated through the study. Where we found that ERP operates the accounting information system on two aspects. The aspect of operating information by improving the quality of the inputs to the accounting information system, so that the ERP system ensures the accounting information system integrated data in the appropriate quantity and at the right time. This is what leads to that the outputs of that accounting information system are of quality. As for the operational aspect, through the coordination of all subsystems in the accounting information system in the organization with each other and their integration, all of which leads to the activation of the accounting information system in the economic institution.

**5.2. Study results:** The most important conclusions of the literature that we addressed through this study, through which the ERP system contributes to the activation of the accounting information system in the economic institution next to it, which is as follows:

- Providing accurate information and data.
- Implementing an ERP system that ensures increased information productivity.
- Ability to use data and information for all branches and levels.
- The ability of the ERP system to maintain information and data within a unified database.
- Easy access to that data and information by users of the accounting information system.
- Facilitates accounting work by automatically providing the system with accounting restrictions allowing the system to be invested and used automatically.
- The possibility of referencing accounting information at any time in order to make comparisons and correct deviations.
- Determining the outcome of the institution according to the needs of the institution whether monthly, quarterly, semiannually or annually.
- Opening and closing the financial year automatically and dividing it into periods according to the size of the institution's activity, which reduces pressure at the end of the year.
- Providing timely accounting information and contributing to the quality and speed of production of accounting financial reports and statements.
- Increasing the institution's ability to control all aspects of the accounting information system.
- Delivering the institution with a competitive position by activating its accounting information system.

**5.3. Recommendations:** In light of our findings, we propose a number of recommendations that we consider important:

- The economic institution must choose the appropriate ERP system that is suitable for its activity in order to benefit from the qualities it provides to it, as choosing the wrong system and implementing it leads the organization to incur losses.
- The organization must ensure adequate training for those in charge of the ERP system in order to ensure that the system fully taken advantage of.
- Hire specialists and consultants for the periodic evaluation of the ERP system.
- The cost of acquiring and implementing an ERP system by organizations must be taken into consideration for the potential return from implementation of this system.

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