

The Role of Human Resource Accounting Information on the Accounting Information System

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Abstract

This study aimed to determine the role of human resource accounting information on Accounting Information System (AIS).

The study importance arises from the need to recognize human resource accounting information and AIS as the greatest development in the world of business, the variables that will be affected by human resource accounting information are: reliability of AIS, the operational performance, cost of reduction, customer services.

To achieve the objectives of the study a questionnaire was designed and distributed to the society of the Jordanian companies are listed in Amman stock exchange (ASE).

The statistical analysis showed that human resource accounting information had a positive impact on the AIS and that human resource accounting information has a significantly statistical relationship with AIS itself, AIS development, cost reduction aspect in the AIS, the aspect of improving the operational performance of the companies AIS and finally with the customer service.

Key Words: Human resource accounting information, ASE, AIS.

1. Introduction

At the turn of the century, the world has witnessed a revolution in the field of human resources, human resource has become on indispensable factor and a real necessity for achieving success for establishments in all sectors.

Establishment has become more aware of the strategic role played by human resource information in general and the accounting information system in particular in achieving a competitive outstanding quality.

Hence, this study is to highlight the importance of the Human resource accounting information on the Accounting Information System of Jordanian companies are listed in Amman stock exchange on 31/12/2012.

These days the world is becoming more competitive due to the information about the human resource accounting. Day by day the demand for companies to improve themselves and try to keep up with the rapid changes while continuing to guarantee the quality of their product and services is increasing.

Human resource accounting information has had as much impact on our Jordanian society as the separate sectors working in it. Therefore the world is becoming more competitive with all of these.

2. Study problems

Due to the lack of researches addressing the role of human resource accounting information on AIS of companies in Jordan, this study attempts to answer the following questions:

1. What is the role of human resource accounting information on the AIS?
2. What is the role of human resource accounting information on the AIS?
3. What is the role of human resource accounting information on the reliability of AIS?
4. What is the role of human resource accounting information on the AIS from the perspective of cost reduction?
5. What is the role of human resource accounting information on the AIS from the perspective of improvement in the operational performance?
6. How does human resource accounting information affect the AIS customer service?

3. Study objectives

1. To identify the concept of human resource accounting information and AIS.
2. To examine the relationship between the reliability and confidentiality of AIS and human resource accounting information.
3. To examine the ability of human resource accounting information to improve the operational performance.
4. To examine the ability of human resource accounting information to improve the customer services

4. Methodology

The population of the study includes all companies listed in ASE. The study included the financial managers working in the 173 companies in order to achieve the objectives of the study. The methodology is as follows:

1. Concluding exploratory study.
2. Developing thesis proposal as the primary model of the thesis.
3. Collecting data through the questionnaire and other data collection method.
4. Carrying out a statistical analysis.
5. Developing the final form of the study.
6. Writing up the conclusion and recommendations.

5. Hypotheses

1. H_1 : there is a statistical significant relationship between human resource accounting information and AIS development.
2. H_1 : there is a statistical significant relationship between reliability and confidentiality of the AIS of Jordanian companies and human resource accounting information.
3. H_1 : there is a statistical significant relationship between the ability to save cost through AIS and human resource accounting information in Jordanian companies.
4. H_1 : there is a statistical significant relationship between the ability to improve operational performance of Jordanian companies through AIS and human resource accounting information.
5. H_1 : there is a statistical significant relationship between the ability to improve customer services through AIS and human resource accounting information in Jordanian companies.

6. Literature review

Due to the novelty of this subject the researchers found few studies regarding the impact of human resource accounting information on the accounting information system of the. Also it should be noted that almost all the studies found addressed the subject of the impact of human resource accounting on the AIS in a general way. Fariborz Avazzadehfath, H. Raiasheka. (2011) indicates that Skillful and specialized human resources are of vital importance for an organization just like its physical properties and investments. Managers of the organizations spend a lot of money for training and educating their workers and employees in order to increase the efficiency of the organization under their control, but human resources accounting system which should be used for human resources information processing have not been used practically by any organization in Iran. This paper explores firstly, whether investment decisions are affected by human resource accounting information disclosed in the financial statements or not? Secondly it explores as to what factors can interfere in this effect? Thirdly it examines which evaluation method of human resource is the most appropriate method consistent with Iranian companies in terms of qualitative characteristics of accounting information? The results indicate that human resource accounting (HRA) information disclosure in financial statements is relevant and affect on the optimal investment decisions. Furthermore, other results state that the most effective and appropriate evaluating method of human resource consistent with current status of Iranian companies and institutions is the original cost method (Historical cost).

Pekin Ogan, (1988), the purpose of this study is to report the results of a field experiment designed to assess the impact of human resource accounting (HRA) information on layoff decisions made by managers. The study is a partial replication and extension of studies by Tomassini and Oliver and Flamholtz. The findings of this study are similar to the earlier studies; human resource accounting information does make a difference in personnel layoff decisions and enables managers to increase their level of confidence regarding decisions of this sort.

Bo Hansson, (1997), this study examines the pricing of knowledge-based firms compared with firms that are less dependent on human resources. The results show that an increasing dependence on human resources is followed by a rise in abnormal return. The results indicate that investors are not able to distinguish personnel investments from expenses, leading to an underestimation of earnings and return. The findings suggest that investors may need accounting information on human resources to help improve investment decisions. There is no evidence in the present material to suggest that investors perceive knowledge-based firms as more risky compared with firms with more accountable (tangible) assets

Mark A. Huselid, (1995), this paper comprehensively examined the linkages between systems of High Performance Work Practices and firm performance. Results based on a national sample of nearly one thousand firms indicate that these practices have an economically and statistically significant impact on both intermediate

outcomes (turnover and productivity) and short- and long-term measures of corporate financial performance. Support for the predictions that the impact of High Performance Work Practices is in part contingent on their interrelationships and links with competitive strategy was limited.

7. Testing the hypotheses

7.1 First hypothesis:

There is a statistical significant relationship between human resource accounting information and AIS.

For testing this hypothesis F- test was done using SPSS and the following results were calculated:

The correlation value = 0.31 between the human resource accounting and AIS development, and the correlation is statistically significant; therefore we accept the H_1 hypothesis which states that there is a relationship between human resource accounting and AIS.

7.2 Second hypothesis:

There is a statistical significant relationship between reliability and confidentiality of the AIS and human resource accounting information.

The correlation value = 0.42 between the human resource accounting and AIS, and the correlation is statistically significant; therefore we accept the H_1 hypothesis which states that there is a relationship between human resource accounting information and AIS.

7.3 Third hypothesis:

There is a statistical significant relationship between the ability to save cost through AIS and human resource accounting information.

The correlation value = 0.21 between the human resource accounting information and the ability to save cost through AIS, and the correlation is statistically significant, therefore we accept the H_1 hypothesis which states that and there is a relationship between human resource accounting information and the ability to save cost through AIS.

7.4 Forth hypothesis:

There is a statistical significant relationship between the ability to improve operational performance through AIS and human resource accounting information.

From the table above the correlation value = 0.22 between the human resource accounting and the ability to improve operational performance of companies through AIS, and the correlation is statistically significant, therefore we accept the H_1 hypothesis which states that there is a relationship between human resource accounting information and the ability to improve operational performance through AIS.

7.5 Fifth hypothesis:

There is a statistical significant relationship between the ability to improve customer services through AIS and human resource accounting information.

The correlation value = 0.25 between the human resource accounting information and the ability to improve customer services through AIS in, and the correlation is statistically significant, therefore we accept the H_1 hypothesis which states that there is a relationship between human resource accounting information and the ability to improve customer services through AIS.

8. Conclusions

This study concluded the following:

1. The human resource accounting information had a statistically significant influence on the accounting information systems of Jordanian companies. The results also showed statistically significant between human resource accounting information and reliability of the accounting information systems, the Impact of human resource accounting information has enhanced the reliability which represents one of the qualitative characteristics of accounting information by improving the ability to deal with the data for companies.
2. Human resource accounting information had a statistically significant influence for ability to reduce cost, improve operational performance of through accounting information systems.
3. The use of Human resource accounting information in the accounting information systems for companies contributed to the improvement of services provided to the clients.
4. Human resource accounting information had contributed to increase efficiency and role effectiveness of accounting information systems in companies.

9. Recommendations

The study recommends the following:

1. It is necessary for companies to invest in the human resource especially with regards to aspects related

- for human resource accounting information in order to keep up with the spirit of the age and improve the role efficiency of the Accounting Information System.
2. Companies shall increase training courses in human resource accounting information for accountants in order to provide their establishments with a specialized staff ready and qualified to face the challenges and to solve the problems imposed by the human resource accounting information.
 3. Continued follow-up the latest developments in human resource accounting information in order to benefits from the services offered by using human resource accounting information for companies.
 4. Make more than Study about the human resource accounting information to identify the extent of human resource accounting information.
 5. It also recommends that Conducting more studies concerning the conceptual framework for both human resource accounting information and accounting information system and their impact on each other.

10. References

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