

# Accounting Information System as an Aid to Decision Making Process in Deposit Money Banks in Nigeria

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**Abstract-**Information is indispensable for decision making in any business organisation. Accounting Information System (AIS) performs a vital role in decision making in banks. Inadequate attention to the quality and reliability of the information on which decisions are made largely contribute to the failure of the use of accounting information in businesses leading to inaccurate decisions to the detriment of the organisation. This study examined the influence of AIS on decision making of Deposit Money Banks in Nigeria (DMBs). Survey research design was adopted for the study with employees of all licensed commercial DMBs in Nigeria totaling 100,590 constituted the study population. The sample size comprised 420 randomly selected staff in the operations, information technology, finance and control functions. The data collected, through the use of questionnaire, were analysed using descriptive and inferential statistics through the use of the ordered logistic regressions. The study established that AIS has a significant positive effect on decision making process ( $\beta=3.432, 1.534, 2.612$  and  $2.992$ ;  $W(402)=19.122, 2.586, 13.965$  and  $15.797$ ;  $p= 0.000, 0.108, 0.000$  and  $0.000$ ;  $R^2 = 0.473$ ). The null hypothesis that accounting information system does not significantly affect the decision making process was rejected with the model  $p$ -value of 0.000. The study concluded that decision making process is influenced by quality of accounting information system across DMBs in Nigeria and that AIS practices are similar in the DMBs. The study recommended that management of DMBs should continuously evaluate their accounting information system and ensures that the qualitative characteristics are not compromised.

**Keywords** -Accounting information system, AIS characteristics, Decision making, Deposit money banks, Relevance, Reliability

## I. INTRODUCTION

One of the qualities of executives of an organisation is the ability and courage to decide on strategic initiatives and course of action that can move the organisation forward. Making decision is part of every day's lives and it is often one of the main functions and tasks of management (Kanakriyah, 2017). It has been argued that management and decision making cannot be divorced from each other and they belong together. Decision making is a process of selection of the best alternative course of action for an optimal decision. Therefore, executives and managers in an organisation need some guidance either from experience or from similar activities that occurred in the past. This guidance usually comes in forms of data and information and as such the reliance is on financial

and economic information provided through management accounting (Meena & Dangayach 2016). Accounting information is employed and serves as the foundation in making decisions related to business growth and survival. It is also used to understand the precision of financial position of any organisation.

Decision making can be for day-to-day running of the business: operational decision; short term planning: tactical decision; or long term planning: strategic decision (Misni & Lee, 2017). Decision making mostly have a long term effect on the operation of a business and as such it is imperative to ensure proper analysis of accounting information that will form the basis of the decision (Eugeria & Tiberiu, 2013). To ensure that that the decision reached is based on good foundation and led by reliable outcomes of past occurrences, the accounting information system of the organisation must have been tested to possess some attributes in the collection of inputted data, processing of such data, generating the information outcomes and storage of the information for future use and reference. Some of these attributes include the need for the information to be from a reliable source, relevant to the business and the decision at hand, a true outcome of past events in the organisation and be made available as at when it is required for the decision at hand.

Accounting information that does not possess these attributes may jeopardise the decision reached on its basis, and as such it is important to ensure that the entire system of accounting information is credible and possesses the all basic characteristics. Modum (1995) described Accounting Information System (AIS) as a "complete collection of business components that comprises entire inputs, gathering and reporting of financial transactions information". Businesses with a well-designed and operating accounting system have the tendency to manage their information as one of their most valuable resources and come up with sound decisions. The reason for this is that professionals in managing business have come to terms that availability of effective information can be a critical success factor that will enable organisations to have competitive advantage in today's business environment (Esmeray, 2016).

### 1.1 Statement of Research Problem

Information is indispensable for decision making in any business organisation (Haldma & Laats 2016). Accounting information has the major purposes to minimise risk and uncertainties, and gives the business a competitive advantage in the market. Accounting information system performs a vital role in decision making in banks and management of banks cannot afford to make a wrong decision largely due to the impact such decision may have on various internal and external stakeholders, the competing environment they are operating and the regulatory implication of making a wrong decision. In recognition of this vital role, emphasis must be placed on the effectiveness of the entire system surrounding the gathering of the information to ensure the impact of accounting information generated on decision making process is positive.

Despite these identified role and emphasis, the issues lies in the quality, reliability and validity of the information on which basis decision is to be made. Is the information timely, clear, adequate, and free from error? Inadequate attention to these questions largely contribute to the failure of the use of accounting information in business with the result that inaccurate decisions are made to the detriment of the organisation

### 1.2 Research Objective and Hypothesis

This paper examines the effect of Accounting Information System (AIS) on effective decision making process in Deposit Money Banks (DMBs) in Nigeria. The hypothesis stated was tested to address the research problem and achieve the objective of this paper.

**H<sub>0</sub>:** Accounting information system does not significantly affect the decision making process of DMBs in Nigeria.

**H<sub>1</sub>:** Accounting information system significantly affects the decision making process of DMBs in Nigeria.

## II. REVIEW OF LITERATURE

### 2.1 Conceptual Review

Financial reporting needs to be simplified by accounting information system for effective and data-led decisions to be made. Information can be simply defined as the completeness of processed data or consequence of data which is made meaningful and useful (Xiang & Yin, 2011). Accounting information is an information generated from accounting data while accounting information system (AIS) is the process and methodology of gathering accounting data, mining the data and turning it into a logically organised and meaningful set of information.

Accounting information system had been defined in different ways by different scholars with all definitions having common objectives. Accounting information, according to Borthick and Clark (1990), is a system responsible for the provision of past and future financial information that relates to budgeting

for resources and activities, accounting for cost, responsibility assignment/accounting, assets and liabilities, capital and operating expenses, and different income streams of the organisation. Hla and Teru (2015) opined that, AIS is a combination of all the components that makes the entire process of accounting. These components are the procedures, data, software, hardware, personnel, security control and internal control procedures.

Hla and Teru (2015) classified AIS using four criteria on the notion that users of the system will have option on the type of system to use with the merits and demerits of each classification as a guide. These classifications are:

- i. Processing Mode – Classification by processing mode are three types, which are online real-time systems, online batch systems and batch processing systems.
- ii. By Interaction with Environment - A system can be allowed to receive input and send output to its environment or surrounding functions, an open system, or shielded from the external environment, a closed system, where all interactions occurred within the system only.
- iii. System Objectives –These consist of transaction processing systems, decision support systems and expert systems.
- iv. By Interaction with Environment - A system can be allowed to receive input and send output to its environment or surrounding functions, an open system, or shielded from the external environment, a closed system, where all interactions occurred within the system only.
- v. According to Age –Accounting information system can be manual system, legacy system or integrated system with all these systems using physical source document for input.

#### 2.1.1 Characteristics of Accounting Information System

Accounting information system should have some basic attributes, qualities and properties if it is to achieve its anticipated objectives, reflects its importance and meets its functions. These attributes, generally referred to as characteristics, should be capable to measure the effectiveness and quality of accounting information. According to Srinivas and Gopiseti (2012), these characteristics have the aim of guiding the accounting administrators in developing accounting standards and also guide the accountants in assessing the accounting information by way of distinguishing between what is necessary and what is not in satisfying the broad users of accounting information.

Research on the subject of accounting information system which include Kanakriyah, 2016, Kanakriyah, 2017 and Harash, 2017 described the characteristics of accounting information system from different perspectives. Kanakriyah (2016), in the study on quality of accounting information,

measured accounting information system using three variables to describe the characteristics. These variables are:

- i. **Flexibility:** This prescribes the adaptation of accounting information system to the dynamic environment of an organisation. It means that as an organisation changes or expands in operations and needs, information system should be varies in character to fit the changing situation rather than remaining static.
- ii. **Simplicity of Use:** It is important to guarantee the provision of a simple system with user-friendly interface and operation. Operation, maintenance and audit of an accounting system should be simple. Simplicity may however impaired flexibility and as such a trade-off between the two is required.
- iii. **Reliability:** Accounting information system need to be dependable and reliable in relation to the information extracted from the system because of their significant usage in the daily operations of a business. Measurement of system reliability may be in terms of ability to handle exceptions, information quality, identification of erroneous data and maintenance procedures.

However, the Financial Accounting Standards Board (FASB) speaks to the qualitative characteristics of useful financial information in their Statement of Financial Accounting Concepts (SFAC) No. 8. The concept makes clear distinction between the fundamental qualitative characteristics considered to be critical to accounting information and those characteristics that can enhanced the accounting information qualities. SFAC No. 8 stated that “if financial information is to be useful, it must be relevant and faithfully represents what it purports to represent. The usefulness of financial information is enhanced if it is comparable, verifiable, timely, and understandable”.

The statement thus classified the qualitative characteristics of accounting information system into two major categories:

- i. **Fundamental Qualitative Characteristics – These are:**
  - a. Relevance, and
  - b. Faithful Representation
- ii. **Enhanced Qualitative Characteristics – These are:**
  - a. Comparable (Comparability),
  - b. Verifiable (Verifiability),
  - c. Timely (Timeliness), and
  - d. Understandable (Understandability).

### 2.1.2 Fundamental Qualitative Characteristics

- a. **Relevance –** Relevant financial information must be capable of making a difference in the decisions made by users and must have both predictive and confirmatory quality. Materiality is another quality considered under relevancy of information. However, this was not given much emphasis because

materiality is subjective and it is user or entity specific.

- b. **Faithful Representation -** Faithful representation means that information must faithfully represents what it purports to represent. It is not sufficient for financial or accounting information to be represent certain relevant occurrence in words and number for an entity, it must represent faithfully the relevant occurrence in words and monetary terms. For an accounting or financial information to be a perfect faithful representation, it must be complete, neutral, and free from error.

### 2.1.3 Enhanced Qualitative Characteristics

- a. **Comparability –** Comparability is a quality that enhances accounting information by enabling users to understand and identify similarities in, and differences among, items of accounting information.
- b. **Verifiability –** Verifiability connotes the ability of users to confirm that accounting information represent faithfully the financial occurrence it purports to represent. It means that different knowledgeable and independent observers or users of the item purported to have been faithfully represented must be able to reach consensus on the representation of the item.
- c. **Timeliness –** The essence of information is to be available on time when it will be of value. Timeliness of accounting information is to make it available to decision makers when it will be capable of influencing their decisions.
- d. **Understandability -** While some accounting information are naturally complex and difficult to understand, attempt to exclude such information from financial reports to make the financial report easier to understand would make the financial report incomplete and potentially misleading.

Sometimes, information that can be provided by financial reporting is constraint by the cost of the information. It is important that these costs, which can come in various form, must be justified by the benefits of reporting or disclosing that information. Although cost is not a qualitative characteristic of information, it is a characteristic of the process used to provide the information.

### 2.2 Theoretical Framework

This study is hinged on the Socio-Technical theory developed by Trist, Bamforth and Emery (1946). The theory, which is based on the principle of ETHICS, an acronym for “Effective Technical and Human Implementation of Computer-based System”, argued that the starting point in technology introduction and implementation is work design rather than system design with emphasis on communication between people and technologies.

A system should be designed to be effective and meet both the users and organisation’s need and this requires a balance

between the technical sub-system and social sub-system which are vital components of the organisation.

### 2.3 Empirical Review

Decision making has been known to be part of every day's life and has been considered as a major function of management. Management role and decision-making are often considered as an integrated tasks and management usually makes the major decisions of the organisation (Young, 1982). According to Nicolaou (2000), the proper alignment of accounting information with organisational requirements for information communication and control has been a source of worry in the field of accounting and management decision making. Markus and Pfeffer (2013) revealed that studies have shown that successful implementation of accounting system needs alignment between three factors. Accounting information system must be implemented to align with prevailing view in the organisation, it must fit into the problems to be solved in the organisation and it must also fit with the culture, norms and value system on which the organisation is built. Accounting information are considered effective on the basis of the resulting information being able to meet the requirements of the system users. Information that is effective should be able to methodically make the information outcomes affect decision making process (Siyabola, 2012).

Making decision involves making a choice of the best course of action (Hanifi & Taleei, 2015). Judgement has to come from management on the effectiveness of various available options regarding some data in order to make decision on best option. As a result of this, they have to rely on financial and economic information obtained through management accounting. Accountants perform important function in the provision of information required in economic and financial decisions which are important fundamentals for every organisations. Implementation of wrong decisions can affect an organisation in a very negative way which may threaten the going concern of the organisation. Managers are aware of their roles in a clearly manner which lessen uncertainty before decisions are made through the help of accounting information (Choe, 1996). Therefore, accounting information system is important to all organisations, either profit oriented or non-profit oriented.

Accounting information system is a crucial tool for decision making process in global environment of today. Investment in information technology tools is very vital to organisations to enable them improve their performance through efficiency and effectiveness of the system. Hence, accounting information system plays a vital role in decision making and organisations are trying to have efficient accounting information system to support their business activities.

Zare and Shahsavari (2012), in their opinion, state that the most important aspect of information in organisations are accounting information. This is more evidence because accounting information system consists of basic rudiments of organisations that supply information for users by processing

financial transactions. It can also be asserted that accounting has both internal and external information role for the management of the organisation and third parties respectively on the premise that accounting information used to supply information used to substantiate decisions are of two facets which are financial and managerial accounting. In the words of Eierle and Schultze (2013), internal decision-making can require very distinct models together with accounting information. Based on this assertion, Zare *et al.* (2013) opined that business managers are expected to seek proper and quality information from all sources for decision making.

Accounting system has, nowadays, has gone beyond been a system of information on data and financial information only as it contains information of quantitative and descriptive nature valuable for user in decision making. Accounting information function in decision making process cannot be ignored because of the diverse users that include customers, potential investors, suppliers, government and the public in general. It is worthy of mention that accounting information system derives its source from accounting data. It produces results which enhance the process of decision making and it can be inferred that accounting information system is a tool to an end rather than been seen as an end.

Srinvas and Gopiseti (2012) found from their conceptual study on accounting information system that decision making is a function of an effective information system. In present time, accounting information system changed as management information system with higher progress of different elements. They asserted that accounting information system can assist companies in making rational decision quickly for their benefits. The study concluded among others that accounting information system is an impeccable tool for creating an environment for decision making which decreases costs and eliminates the paper work.

Siyabola (2012) investigated accounting information as an aid to management decision making through a survey research design revealed that there is a significant relationship between the perceptions of employees and accounting information in decision making process and that accounting information system has a significant positive effect on management decision. The revelation was in agreement with the work of Carr (2005) who concluded that accounting information reduce the necessity of recalling transactions manually for decision making. Buljubašić and Ilgün (2015) exhibited the importance of accounting information systems in decision making process of the business organisations. They asserted that it is essential for organisations to have an information system if they intend to enjoy effective and efficient information processing. To achieve this, Hanifi and Taleei (2015) stated that subsequent to collection of information, it should be processed, classified and stored within the company for usage. It was established that each decision that management makes should be based on precise, qualitative, timely and unambiguous information. Part of the findings by Nickels, McHugh and McHugh (2012) was that all

organisations, profit-oriented or not, regardless of their scale of operations needs accounting information for decision making.

### III. METHODOLOGY

Descriptive survey research design, which is predicated on the use of primary source of information, was employed in this study. The population of the study was the staff of Commercial Deposit Money Banks in Nigeria. The Central Bank of Nigeria licensed 21 Commercial Deposit Money Banks as at May, 2018 and their staff of 100,590 (as at June, 2018) were considered, and a sample size of 420 employees were purposively and randomly selected with minimum of 14 and maximum of 23 selected from each bank. A structured questionnaire which passed the reliability and validity test, was used in collecting data for the study and this was administered on the sampled employees. Data collected were analysed with the mean of descriptive and inferential statistics. The descriptive statistics use the means, standard deviation and simple percentages of the variables while inferential statistics use the ordinal logistic regression.

#### 3.1 Model Specification

The following constructs were applied:

Dependent Variable (Y) = Decision Making (DMAK)

Independent Variable (X) = Accounting Information System (AIS)

This is expressed mathematically as  $Y = f(X)$

Where  $x_1 = AISR = AIS$  Relevance

$x_2 = AISF = AIS$  Faithful Representation

$x_3 = AISV = AIS$  Verifiability

$x_4 = AIST = AIS$  Timeliness

$DMAK = f(AISR, AISF, AISV, AIST)$ .....Study Functional Relationship

Hence  $DMAK = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \epsilon_{it}$  ..... Study Model

Where:

$\beta_0 =$  Constant

$\beta_1, \beta_2, \beta_3, \beta_4, \beta_5 =$  Model Co-efficient, and

$\epsilon_{it} =$  Error term

### IV. RESULT AND DISCUSSION

Table 1: Responses on Relationship between AIS and Decision Making

S/N	Test Items		SA 5	A 4	UD 3	D 2	SD 1	Mean	SDE
1	Reports from accounting information provide managers with useful information for taking the right decisions.	Freq %	186 47.0	189 47.7	19 4.8	2 0.5	0	4.41	0.61
2	Accounting information assists in monitoring the effectiveness of decisions in the bank.	Freq %	147 37.1	234 59.1	13 3.3	1 0.2	1 0.2	4.33	0.58
3	Accounting information system provides managers and management with necessary and appropriate information facilitating decision making process.	Freq %	179 45.2	197 49.7	17 4.3	1 0.3	2 0.5	4.39	0.63
4	Accounting information system provides decision-makers with fact about decisions in term of timeliness and cost of decisions.	Freq %	144 36.4	229 57.8	22 5.6	0	1 0.2	4.30	0.59
5	Accounting information reports provide feedback to ensure reconsideration of the taken decision to improve their effectiveness.	Freq %	162 40.9	213 53.8	17 4.3	1 0.3	3 0.8	4.34	0.65
6	Decisions are made by managers based on information provided by the accounting information system in the bank without prejudice to personal assessment.	Freq %	153 38.6	218 55.1	21 5.3	3 0.8	1 0.3	4.31	0.63
	<b>Average Mean</b>							<b>4.35</b>	<b>0.62</b>

Source: Field Survey, 2018

Note: SDE = Standard Deviation, SD = Strongly Disagree, D = Disagree, U = Undecided,

A = Agree, SA = Strongly Agree.

Table 1 elicits responses on six test items on decision making in relation to accounting information system among deposit money banks in Nigeria. The summary of the responses from the respondents revealed an overall mean score of 4.35, which indicates a high level of agreement on the contribution of accounting information system to decision making among deposit money banks in Nigeria. The standard deviation of

0.62 reflects the skewness of the responses toward the mean and suggests that the responses of the respondents to the test items were not likely to change over time.

AIS, the independent variable was measured by four of the characteristics, including the two fundamental characteristics. The summary of the responses were as shown in Table 2.

Table 2: Summary of Responses on measures of the Independent Variable

AIS Characteristics	No. of test items	Overall Mean Score	Standard Deviation
Relevance	6	4.35	0.61
Faithful Representation	5	4.35	0.62
Verifiable	4	4.33	0.62
Timeliness	5	4.33	0.62

Source: Field Survey, 2018 (SPSS Output Summary)

The overall mean score, out of possible 5 point, of the responses on the test items of each characteristics indicates that there is a high level assurance that accounting information generated by DMBs in Nigeria can stands the fundamental

and enhanced characteristics of relevance, faithful representation, verifiability and timeliness of AIS. The standard deviations, ranging between 0.61 and 0.62 indicate no material variation on the responses to the test items by the respondents across the DMBs in Nigeria.

#### 4.1 Evaluation of Study Model and Test of Hypothesis

Dependent Variable: Decision Making – DMAK

Study Model:  $DMAK = \beta_0 + \beta_1 AISR + \beta_2 AISF + \beta_3 AISV + \beta_4 AIST + \epsilon_{it}$

Hypothesis:  $H_0$ : Accounting information system does not significantly affect the decision making process of DMBs in Nigeria.

Table 3: Evaluation of Model - Effects of Accounting Information System (AIS) on Decision Making Process in DMBs in Nigeria

Panel A				
Variable	Coefficient	Exponent of Coefficient	S.E	Wald- Test
Constant: Threshold				
[DMAK = 3.00]	11.428		1.402	66.420***
[DMAK = 4.00]	16.323		1.514	116.199***
Coefficients: Location				
AISR	1.233	3.432	0.282	19.122***
AISF	0.428	1.534	0.266	2.586
AISV	0.960	2.612	0.257	13.965***
AIST	1.096	2.992	0.276	15.797***
Panel B				
Diagnostic Tests			Statistic	Prob
Model Fitting Information			181.511	0.000
Goodness of Fit				
Pearson			73.801	0.128
Deviance			83.315	0.112
Pseudo R-Square			0.473	
Test of Parallel Lines			2.556	0.635

Notes: DMAK is decision making and it is the dependent variable, the independent variables are AISR is accounting information system of relevance, AISF represents faithful representation of accounting information system, AISV denotes accounting information system of verifiability and AIST stands for accounting information system on timeliness. \*, \*\* and \*\*\* indicates statistical significance at 10, 5 and 1 per cent respectively.

Source: SPSS Output (2018)

#### 4.1.1 Interpretation

Panel A of Table 3 shows the estimated parameters, which revealed that the coefficients of all the four measures of accounting information system were positive. This implies that accounting information system of relevance, faithful representation, verifiability and timeliness have direct relationship with decision making of deposit money banks in Nigeria. The exponents of the estimated parameters for relevance, faithful representation, verifiability and timeliness are given as 3.432, 1.534, 2.612 and 2.992, respectively. This implies a unit increase in accounting information system of relevance, faithful representation, verifiability and timeliness

will lead to 3.432, 1.534, 2.612 and 2.992 increases in decision making of deposit money banks, respectively.

In addition, concerning the statistical significance of the estimated parameter, using the *Wald*-statistics, it was discovered that accounting information system of relevance, verifiability and timeliness have significant relationship with decision making of deposit money banks at 1 per cent level of significance. This implies that accounting information systems of relevance, verifiability and timeliness ( $p=0.000$ ,  $0.000$  and  $0.000$ ) are significant factors influencing changes in decision making of money deposit banks in Nigeria. However, accounting information system of faithful representation is not

statistically significance ( $p=0.108$ ), which implies that faithful representation of accounting information system is not a significant factor, at any level of significance, influencing changes in decision making of deposit money banks in Nigeria.

The Pseudo  $R^2$  which measures the proportion of the changes in decision making as a result of changes in accounting information system of relevance, faithful representation, verifiability and timeliness, shows that accounting information system of relevance, faithful representation, verifiability and timeliness explains about 47 per cent changes in decision making, while the remaining 53 per cent were other factors explaining changes in decision making but were not captured in the model.

In Panel B of Table 3, the model fitting information of 181.511 is significant at 1 per cent level; this implies that the final model gives a significant improvement over the baseline constant model. The two goodness of fit statistic of 73.801 and 83.315 are not significant at any level, thus the non-rejection of the null hypothesis is that the fit is good. This implies that the data and the model predictions are similar and that it is a good model. The statistics for the test of parallel lines is given as 2.556. This value is not significant and implies that the null hypothesis assumption that the slope coefficients are the same across response categories cannot be rejected. Thus, the proportional odds assumption holds for general model.

#### 4.2 Test of Hypothesis

The *Wald*-statistics in table 3 from the estimated ordered logistic regression model were used to test the hypothesis. The results presented in table 3 were used to test the hypothesis as summarised below.

Table 4: Summary of Results

	Evaluation Results
Sign	+
Prob. Values	0.000
Null Hypothesis	Reject

##### 4.2.1 Decision

Table 4 revealed the summary of the model evaluation and hypothesis testing and it can be concluded that there is a combined positive and significant relationship of AIS with decision making process in DMBs in Nigeria. At 1 per cent significant level, with a model fitting information of, the calculated p-value is 0.000 which is less than the alpha value of 0.01. The implication of this is that the null hypothesis that accounting information system does not significantly affect the decision making process of DMBs in Nigeria is rejected and the alternative hypothesis is accepted.

#### 4.3 Discussion of Findings

Empirical findings from this study was that accounting information system significantly affect the decision making process of DMBs in Nigeria. This is in agreement with the study by Buljubašić and Ilgün (2015), Srinvas and Gopiseti (2012), and Siyanbola (2012) which concluded that it is essential for organisations to have an effective information system to relied on such information for decision making, that accounting information system is an impeccable tool for creating an enabling environment for decision making and there is a positive significant relationship between the perception of employees and accounting information in decision making process, respectively.

### V. CONCLUSION AND RECOMMENDATIONS

#### 5.1 Conclusion

This study examined the effect of accounting information system on decision making process in deposit money banks in Nigeria with reference to the commercial banks which control the larger proportion of the banking activities in Nigeria. The study revealed a positive relationship between the dependent variable and the explanatory variables, which also revealed a strong positive agreement that the accounting information system positively affect and contributes to the decision making process in deposit money banks in Nigeria.

The findings further revealed that accounting information practices in DMBs in Nigeria are similar as depicted by the standard deviations and the inferential statistics of the measurement variables.

With the probability value (p-value) of the study model at 0.000 and less than the alpha value –  $\alpha$  (significant value) of 0.01, this study concluded that accounting information system, as measured by its qualitative characteristics have positive and significant relationship with decision making process in the DMBs and as such the null hypothesis was rejected and the alternative hypothesis was accepted.

#### 5.2 Recommendations

It is recommended that management of DMBs should continuously evaluate their accounting information system and ensures that the qualitative characteristics are not compromised. This will provides assurance that decisions made on the basis of the information generated from the system are reliable. Adequate mechanisms should be put in place to facilitate storage and archiving of accounting information as decision making are often based on past trends and data.

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APPENDIX

SPSS Output of Ordinal Regression for Test of Hypothesis

Hypothesis Testing PLUM - Ordinal Regression

Notes

Output Created		19-NOV-2018 11:20:11
Comments		
Input	Data	C:\Users\USER\Desktop\akinrinola\Workfile.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
Missing Value Handling	N of Rows in Working Data File	402
	Definition of Missing	User-defined missing values are treated as missing. Statistics are based on all cases with valid data for all variables in the model. PLUM decmak WITH relevance faithrep verifiable timeliness
Syntax	Cases Used	/CRITERIA=CIN(95) DELTA(0) LCONVERGE(0) MXITER(100) MXSTEP(5) PCONVERGE(1.0E-6) SINGULAR(1.0E-8) /LINK=LOGIT /PRINT=FIT PARAMETER SUMMARY TPARALLEL.
	Processor Time	00:00:00.00
Resources	Elapsed Time	00:00:00.03

[DataSet1] C:\Users\USER\Desktop\akinrinola\Workfile.sav

Warnings

There are 52 (46.8%) cells (i.e., dependent variable levels by combinations of predictor variable values) with zero frequencies.

Case Processing Summary

	N	Marginal Percentage
3.00	7	1.8%
decmak 4.00	162	41.1%
5.00	225	57.1%
Valid	394	100.0%
Missing	8	
Total	402	

**Model Fitting Information**

Model	-2 Log Likelihood	Chi-Square	df	Sig.
Intercept Only	316.166			
Final	134.655	181.511	4	.000

Link function: Logit.

**Goodness-of-Fit**

	Chi-Square	df	Sig.
Pearson	73.801	68	.128
Deviance	83.315	68	.112

Link function: Logit.

**Pseudo R-Square**

Cox and Snell	.369
Nagelkerke	.473
McFadden	.304

Link function: Logit.

**Parameter Estimates**

	Estimate	Std. Error	Wald	df	Sig.	95% Confidence Interval		Exponent of Estimated Parameter	
						Lower Bound	Upper Bound		
Threshold	[decmak = 3.00]	11.428	1.402	66.420	1	.000	8.680	14.177	
	[decmak = 4.00]	16.323	1.514	116.199	1	.000	13.355	19.291	
Location	Relevance	1.233	.282	19.122	1	.000	.680	1.785	3.432
	Faithrep	.428	.266	2.586	1	.108	-.094	.949	1.534
	Verifiable	.960	.257	13.965	1	.000	.457	1.464	2.612
	Timeliness	1.096	.276	15.797	1	.000	.555	1.636	2.992

Link function: Logit.

**Test of Parallel Lines<sup>a</sup>**

Model	-2 Log Likelihood	Chi-Square	df	Sig.
Null Hypothesis	134.655			
General	132.099	2.556	4	.635

The null hypothesis states that the location parameters (slope coefficients) are the same across response categories.

a. Link function: Logit.