



## The Impact Of Applying Digital Transformation On The Effectiveness Of Accounting Information an Analytical Study Of The Opinions Of a Sample Of Employees In Private Banks In Baghdad Governorate

Ali Ibrahim Ahmed<sup>1\*</sup>, Mohammed Ahmed Mhmood<sup>2</sup>

<sup>1-2</sup>University Of Samarra, Iraq

[ali.ibrahem@uosamarra.edu.iq](mailto:ali.ibrahem@uosamarra.edu.iq)<sup>1\*</sup>, [m.alshuqairy@uosamarra.edu.iq](mailto:m.alshuqairy@uosamarra.edu.iq)<sup>2</sup>

Author Correspondence : [ali.ibrahem@uosamarra.edu.iq](mailto:ali.ibrahem@uosamarra.edu.iq)\*

**Abstract.** *The current research aims to measure the impact of applying digital transformation represented by (technologies, digitization of operations, databases, human cadres) on the effectiveness of accounting information represented by (appropriateness of accounting information, and reliability of accounting information), among a sample of employees in private banks in Baghdad Governorate, with a strength of (183) employees. In order to achieve the research objective, the questionnaire was adopted to collect data related to the research variables, and the descriptive analytical approach was adopted in the research and then analyzed by adopting some statistical methods such as (arithmetic mean, standard deviation, linear correlation coefficient, simple and multiple regression coefficient), and the results were reached using statistical programs such as (SPSS.V.29) and (Amos.V.26) to analyze the data to reach the conclusions, the most prominent of which was that digital transformation contributes to completing routine operations, reducing the time required to complete tasks, increasing accuracy in operations, and reducing human errors through the use of digital systems.*

**Keywords:** *Digital transformation, Effectiveness of accounting information, Accounting information (AI).*

### 1. INTRODUCTION

The world has recently witnessed a noticeable intervention of technological tools in all economic activities and operations, and it has become a basic requirement for their implementation and achievement. Digital means have become an urgent necessity required to obtain information that is characterized by speed, accuracy and transparency, and is in line with the current situation. This intervention has been accompanied by the exposure of computer devices and their material and non-material accessories to many risks and challenges that vary in their severity, size and type, but their greatest impact has been represented in threatening the suitability and reliability of information and threatening the security and protection of data (Abu-Amr & Al-Zuwailf, 2023: 238). The rapid development of digital transformation has contributed to pushing business organizations to reconsider their strategies by developing new technologies that contribute to enhancing the areas of relevance and reliability of accounting information (Abdel Tawab, 2020: 3), in addition to providing a safe and automated means of accounting for asset ownership (Demirkan et al., 2020: 190). Modern digital transformations have also contributed to modifying the methods of exchanging, collecting, distributing and reviewing information (Nadkarni & Prügl, 2021: 233), leading to the emergence of a new

accounting infrastructure that provides the opportunity for accounting to process a large set of information in the shortest possible time, and implement global trends in the field of transparency, control, accountability and disclosure (Agostino et al., 2022: 153).

This development has also made it necessary to subject these technologies and their environment to continuous monitoring and evaluation and to provide reasonable assurance regarding the effectiveness of the accounting information applied to them (Monteiro & Cepêda, 2021: 68), and to review the extent of their commitment to applying and implementing policies and standards related to their use, to ensure the accuracy of the information issued by them, and thus the effectiveness of the decisions that will be based on them (Ali et al., 2021: 3384), which enhances the reliability of the outputs of accounting information, which will positively affect banking practices based on the use of digital transformation technologies (Izzo et al., 2022: 1008). Hence, the current research came to shed light on the impact of applying digital transformation on the effectiveness of accounting information in private banks in Baghdad Governorate.

## **2. RESEARCH METHODOLOGY**

### **First: - Research Problem**

The world is witnessing a major technological revolution in digital transformation because of their important role in changing the nature of life and work in all fields, including the banking sector, and accounting information is a fundamental pillar in making investment decisions, especially with regard to financial institutions, which become more effective and clear with the application of digital transformation technologies, in other words, providing accounting information with transparency and high reliability and at a reasonable cost is one of the most important characteristics that the facility's management seeks to achieve. The more confidence in the facility's data increases, the more confidence in its financial reports increases, which leads to competence of financial markets. Also, directing the banks under study to adopt digital transformation contributes to reducing human errors, increasing operational efficiency, and reducing manipulation and fraud in accounting records while saving time and cost. From here, the research problem can be raised in an important question (Is there an impact of digital transformation on the effectiveness of accounting information in private banks?), and from this question, several sub-questions can be summarized, which are:

- a. What is the level of contribution of the private banks under study in implementing digital transformation?

- b. How can the effectiveness of accounting information be measured in the private banks studied? Do these banks focus on the suitability and reliability of the accounting information obtained?
- c. What is the nature and type of the relationship between digital transformation and the effectiveness of accounting information in private banks?
- d. What are the most important results and recommendations that can contribute to improving the capabilities of private banks on how to use digital transformation to improve the effectiveness of accounting information amongst their staffs?

### **Second: Importance Of The Research**

The application of digital transformation in private banks in order to measure the effectiveness of accounting information is important because of its important role in understanding the mechanism of benefiting from technologies to improve the suitability and reliability of obtaining accounting information. Therefore, the importance of the current research is highlighted in:

- a. The current research contributes to improving the banking performance of the researched sample by providing accounting information with the accuracy and speed required in order to make fateful investment decisions.
- b. The current research helps push private banks to develop the skills of their employees in the field of accounting by focusing on the use of digital transformation technologies, which enhances their efficiency.
- c. Contributing to supporting the economic developments of banks by understanding the mechanism of using modern technologies to improve the effectiveness of accounting information.
- d. Enriching scientific knowledge by contributing to determining the impact of digital transformation on the effectiveness of accounting information in the banking sector.

### **Third: Research Objectives**

The research seeks to understand the impact of digital transformation on the effectiveness of accounting information in private banks, in order to ensure the achievement of significant progress in banking performance. The research also seeks to achieve several sub-objectives, which are:

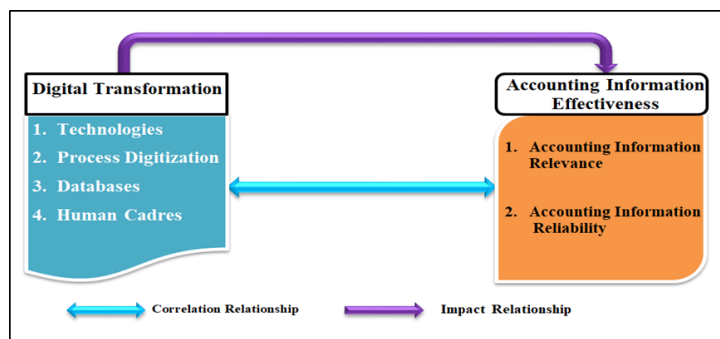
- a. Determining the level of contribution of the private banks studied in implementing digital transformation.

- b. Measuring the effectiveness of accounting information in the private banks studied, as well as identifying the level of focus of these banks on the suitability and reliability of the accounting information obtained.
- c. Determining the relationship between digital transformation and the effectiveness of accounting information in private banks.
- d. Providing a set of recommendations and results that determine the capabilities of private banks on how to use digital transformation to improve the effectiveness of accounting information among their employees.

#### **Fourth: Hypothetical Research Plan**

Defining the research problem and identifying the most important objectives that the research seeks to achieve in the long term, and then highlighting the importance of the research variables, all these steps require building a hypothetical plan that determines the nature of the relationship between the variables included in the research study, which means that imposing hypotheses to measure the level of these variables requires building a hypothetical plan, as in Figure (1), and these variables are:

- **Independent Variable:** represented by the digital transformation, and was measured through four dimensions, which are (technologies, digitization of operations, databases, human cadres).
- **Dependent Variable:** included the effectiveness of accounting information, as it was measured through two dimensions, which are (the suitability of accounting information, and reliability of accounting information).



**Figure (1) Hypothetical research diagram**

### **Fifth: Research Hypotheses**

The research is based on two important hypotheses:

H1: There is a significant correlation between digital transformation and the effectiveness of accounting information, and four sub-hypotheses are based on it:-

- a. There is a significant correlation between the dimension of technologies and the dimensions of the effectiveness of accounting information represented in (the suitability of accounting information and the reliability of accounting information).
- b. There is a significant correlation between the dimension of digitization of operations and the dimensions of the effectiveness of accounting information represented in (the suitability of accounting information and the reliability of accounting information).
- c. There is a significant correlation between the dimension of databases and the dimensions of the effectiveness of accounting information represented in (the suitability of accounting information and the reliability of accounting information).
- d. There is a significant correlation between the dimension of human cadres and the dimensions of the effectiveness of accounting information represented in (the suitability of accounting information and the reliability of accounting information).

H2: There is a significant impact of digital transformation on the effectiveness of accounting information, and four sub-hypotheses are based on it:

- a. There is a significant impact of the technology dimension on the dimensions of effectiveness of AI represented by (appropriateness of accounting information, and reliability of accounting information).
- b. There is a significant impact of the digitization of operations dimension on the dimensions of the effectiveness of AI represented by (appropriateness of accounting information, and reliability of accounting information).
- c. There is a significant impact of the database dimension on the dimensions of the effectiveness of AI represented by (appropriateness of accounting information, and reliability of accounting information).
- d. There is a significant impact of the human cadres dimension on the dimensions of the effectiveness of AI represented by (appropriateness of accounting information, and reliability of accounting information).

## **Sixth: Research Community And Sample**

The research community represented the private banks of Baghdad Governorate, while the research sample included workers in private banks, as 200 questionnaires were distributed to the targeted workers, with 188 questionnaires returned and 5 questionnaires that did not meet the conditions, which means that the number of questionnaires valid for analysis reached 183 workers, which achieves a response rate of 0.92.

## **section two: theoretical framework of the research**

### **First: Concept Of Digital Transformation**

Digital transformation in the current era represents an important challenge and opportunity for all types of institutions, whether small or large, in all economic sectors. It is related to adopting and using digital technology to improve and develop operations and services and achieve competitive excellence. It includes the use of modern technology such as artificial intelligence, cloud computing, the Internet of Things, etc., with the aim of achieving business goals in more effective ways (Majchrzak et al., 2016: 269). Institutions and administrations of all types and fields are now forced to keep pace with the age of technology through the process of digital transformation of their various functions due to its great importance and benefits for these institutions (Schwertner, 2017: 389). According to Verina and Titko (2019: 11), the term "digital transformation" refers to the use of information and communications technology to improve the government's efficiency, effectiveness, transparency, and accountability in the services it provides to citizens and the business community. It also allows them to access information that supports all government procedural systems, eradicates corruption, and allows citizens to participate in the stages of the political process and related decisions that impact various aspects of life. (Bonnet & Westerman, 2020: 5). The Organization for Economic Cooperation and Development (OECD) also defined digital transformation as: the impact of digitization and digital technology on economic and social aspects, as digitization refers to the process of converting data and processes from analog formats to machine-readable formats, and digital technology includes the use of digital technologies and their close linkage, which leads to new changes and improvements in current activities (Kraus et al., 2021: 2).

(Plekhanov et al., 2022:4) defined it as the continuous process through which organizations adapt to the requirements of their customers and markets (external ecosystem) by employing digital technology, the ability to innovate new business models, products and services that safely blend digital technology, manual work and customer experiences while improving operational and organizational efficiency. Through the above, the researcher sees

that digital transformation: is the process of developing and improving operations and systems based on digital technology in order to facilitate transactions between different parties, and digital transformation aims to enhance efficiency, innovation and improve customer experiences by relying on modern digital technologies such as artificial intelligence, cloud computing and others.

## **Second: - Importance Of Digital Transformation**

Increasing internal cooperation is facilitated by digital transformation. The digital transformation project can improve internal cooperation if it is sufficiently large. The company's internal networks are the best examples of how to improve document management procedures (Holmström, 2022: 332), as they can open up opportunities for discussion between employees in teams who did not have any communication (Nadkarni & Prügl, 2021: 334). stated that (Bonnet & Westerman, 2020: 4) as efficiency is the inevitable outcome of well-designed and sophisticated processes, digital transformation aids in increasing efficiency. Utilizing the unmatched potential of contemporary technology, operations can become more efficient, repeatable, and speedier..

However, Kruus et al. (2022: 2) mentioned that digital transformation helps to improve employee performance because it can create a work environment where employees can be more productive in their daily work lives. One excellent example of this is enterprise collaboration tools. Additionally, it keeps the competitive edge because some of the primary benefits of digital transformation include improving operations and efficiency (Konopik et al., 2022: 2), and businesses that do it well will benefit (Dąbrowska et al., 2022: 956), meaning they will build and strengthen their advantages over rivals (Van Veldhoven, 2022: 631).

(Plekhanov et al., 2022: 4) stated that digital transformation helps develop business models, as digital technologies open up new lines of business and develop innovative business models, as companies can innovate new products and services for customers, thus transforming traditional business models into innovative ones using technologies such as artificial intelligence, cloud computing, the Internet of Things, etc.

From the above, it can be said that the importance of digital transformation lies in simplifying procedures, achieving transparency, providing information infrastructure, and using modern technological applications on a large scale in management and training.

### **Third: - Benefits Of Digital Transformation**

Digital transformation plays an important role in creating a future characterized by development and effectiveness, and among the main advantages it offers (Holmström, 2022: 332):-

1. Reducing the phenomenon of administrative corruption: by publishing all data and information specific to the performance of government institutions over the Internet and making them available to employees (Taha et al., 2017: 15).
2. Managing relationships with employees: The citizen is like a customer to the e-government that meets his needs very quickly (Li, 2020: 810).
3. Reducing expenses and reducing costs: As technological means help move towards reducing the saving, copying and distribution of paperwork, and reduce the effort and materials used (Imran et al., 2021: 452).
4. Achieving government transparency: By providing information about government purchases on the Internet to ensure equality between suppliers (Imran et al., 2021: 452).

On the other hand, (Appio et al., 2021: 6) indicated that the benefits of digital transformation are as follows: -

1. Enhances efficiency and organizes operational processes.
2. Contributes to raising the level of quality and speeds up the procedures for providing services to beneficiaries.
3. Provides opportunities to offer creative and innovative services, going beyond traditional methods of providing services.
4. Increases productivity and raises the level of products, which ensures the sustainability of businesses and services.

### **Fourth: Concept Of Accounting Information**

After the Industrial Revolution and the subsequent technological development in computers, the huge information revolution appeared on the scene, which was helped in its emergence by the great development in computer sciences and information that was stored in the mothers of books on large shelves is now stored on optical disks. This information revolution was followed by the communications revolution, which the Internet dominated, enhancing the importance of information and giving it the advantage of rapid access to it after it obtained the advantage of storage in the computer and its optical floppy disks (Taha and others, 2017: 15).



Information in its simplest concept is the final product of the raw material, i.e. the data that is operated according to the stages of the accounting system operations (Becerra-Fernandez & Sabherwal, 2014: 1, Al-Badri, 2017: 367), the quality of AI represents the information that is characterized by great benefit in guiding various decisions, as it enables users of accounting information to be able to analyze this information through the characteristics it has (Mahmoud and Dabash, 2016: 87). (Beest et al., 2009: 6) believe that the quality of AI system represents the information related to the reporting unit that is useful to both current and potential equity investors, lenders and others in order to make their decisions as capital financiers.

In its most basic form, information is the process of determining which computer-based applications within an organization would best assist it in achieving its business goals (Kamariotou & Kitsios, 2019: 205). It is the process of establishing organizational computing goals and determining which computer applications the organization should use (Hock et al., 2019: 634). According to (Azizi, 2020: 122), it is the process of coordinating the company's business plan with efficient computer-based information systems in order to accomplish significant commercial goals. (Bernadus et al., 2020: 939) indicated that it is the process of identifying a set of computer-based applications to be implemented, which are largely aligned with the organization's strategy and have the potential to create an advantage over competitors. It is the process of identifying a set of computer-based applications that will help the organization implement its business plans and achieve its business objectives. Doing so is a critical challenge for many information systems and business managers. Information-Accounting is defined as a specialized subsystem of the management information system that aims to collect, process and report information related to the financial operations of the organization. It is a peripheral system, so it uses data from other information systems. This system consists of accounting revenues and expenses, cost accounting, and auditing (including electronic data processing auditing), and consists of a specially designed set of resources such as employees, equipment, etc., and converts accounting data into accounting information approved by decision makers interested in the organization (Akram and Yazid, 2018: 90).

Based on the above, it can be said that accounting information represents a combination of mechanisms that the company invests in order to manage and process its data in a way that saves time and accuracy in its internal and financial operations.

### **Fifth: Importance Of Accounting Information**

The development of the global economy has led to the need for more data and information that cover all aspects of social and economic activities and reflect the nature of the mutual relationships between them. Since accounting is one of the social sciences that affects and influences economic activities (AlBastaki & Hamdan, 2023: 41), it is affected by environmental conditions, and the outputs of its accounting information are the result of certain requirements, and may be affected by many economic, social, political and legal factors in which accounting operations operate - are affected and changed by change (Ahmed et al., 2016: 16). As a result, the importance of accounting information has increased as a basic and effective tool for many investor decisions, which requires them to obtain accurate and reliable accounting information about the economic units in which they wish to invest, as their decisions are negative or affected by the positive impact of the accuracy of accounting information, the time of obtaining information, the degree of confidence and the objectivity of its measurement (Sayedhom, 2018: 45). From the above, it can be said that the importance of the effectiveness of accounting information lies in providing information that plays an important role in the success and continuity of projects, including determining the cost of the product according to modern costing methods, in addition to pricing products according to modern pricing methods, in addition to helping in evaluating the performance of projects, especially the financial aspect.

### **Sixth: Basic Characteristics Of The Effectiveness Of Accounting Information**

The quality of accounting information has many characteristics, including:-

1. **Relevance of accounting information:** Relevance means that there is a close relationship between the information derived from financial accounting and the purposes for which it is prepared. In order for this information to be useful, it must be closely related to making one or more decisions made by those who use that information (Monteiro & Cepêda, 2021: 69). Information is considered appropriate or closely related to the purpose for which it is prepared if it helps the main external beneficiaries evaluate alternatives related to maintaining their current relationships with the accounting unit, or forming new relationships with it, provided that other characteristics of useful information are available (Ali & Oudat, 2021: 3).
2. **Reliability of accounting information:** In order for information to be useful, it must be reliable, and it has this characteristic if it is free of significant errors and neutral (Ahmed, 2014: 33), and can be relied upon by users as information that faithfully represents

operations and events or is expected to reasonably represent future events, considering that it is considered a true and true expression of the financial position of the institution and represents the results of its work in the best representation (Monteiro & Cepêda, 2021: 69). Reliability is one of the main characteristics of accounting information. This characteristic is available when it is free of errors, neutral, and characterized by honesty of expression (Ali & Oudat, 2021: 3), i.e. it relates to the honesty of accounting information and reliance on it, and the honest perception of economic events and operations (Ahmed, 2014: 33). The reliability characteristic of accounting information represents an urgent necessity for individuals who do not have the time and experience to evaluate the contents of financial reports. In order to achieve the reliability characteristic of information, three qualitative characteristics must be available (Monteiro & Cepêda, 2021: 69): -

- a. Verifiable: This means that the information can be verified in terms of its accuracy.
- b. Neutrality and impartiality: This means not influencing the process of obtaining information and not preparing it in a deliberate manner that may serve one user over another.
- c. Honesty in expression: This means that there is a high degree of consistency between the standards and the phenomena that are to be estimated.

### **Section Three: The Practical Side**

#### **First: - Research Sample**

This distribution also reflects the sample used in the study and the response rate of individuals, and these numbers can be used to evaluate the representativeness and reliability of the sample. Table 1 displays the distribution of the research sample in the private banks under study. 200 questionnaires were distributed to the sample members, and 188 questionnaires were retrieved from the total number of distributed questionnaires. Of these retrieved questionnaires, 183 were deemed valid for analysis and use in the study.

**Table No. (1) shows the distribution of the study sample questionnaires.**

Research sample	Number of questionnaires distributed	Number of questionnaires returned	Number of questionnaires valid for analysis
Private Bank Employees in Baghdad Governorate	200	188	183

## Second: -Testing Validity and Reliability Of Research Tool

In addition to the fact that all values ranged between (0.884-0.936), which are statistically acceptable values, Table (2)'s results show that the Cronbach's alpha coefficients for the variables included in the analysis reached higher than (0.75), indicating that the measurement tool is characterized by high relative stability. For example, the stability coefficient for the variable (effectiveness of accounting information) reached (0.961), and the stability coefficient for the variable (digital transformation) reached (0.867), indicating that the measurement tool is consistent with the responses of the private banks under study.

**Table (2) Cronbach's alpha coefficients for the study variables and dimensions**

Variables	Dimensions	Cronbach's Alpha		
Digital Transformation	Technologies	0.936	0.867	0.891
	Digitalization of processes	0.881		
	Databases	0.879		
	Human resources	0.890		
Effectiveness of Accounting Information	Accounting information suitability	0.912	0.961	
	Accounting information reliability	0.884		

## Third: - Description Of The Study Sample

### 1. Digital Transformation

The data test of digital transformation through dimensions (technologies, digitization of operations, databases, and human cadres) shows that the standard deviation of the dimension as a whole was 0.79, indicating positive differences, and that the arithmetic mean of the variable as a whole reached 3.31, a high value according to a five-point Likert scale that indicates the presence of high values. Overall, it can be said that there is total agreement of the study sample regarding the digital transformation variable. It also shows that private banks in the Baghdad Governorate enjoy a high level regarding digital transformation and that their employees can use modern devices and necessary technologies and work to develop them continuously.

**Table (3) Descriptive statistics for the digital transformation variable**

No.	Mean	S.D	No.	Mean	S.D
TE1	3.13	0.84	DO1	3.27	0.79
TE2	3.05	0.84	DO 2	3.16	0.82
TE3	3.69	0.79	DO 3	3.64	0.84
TE4	3.22	0.85	DO 4	3.04	0.76
Technologies	3.27		Process Digitization	3.28	0.75
No.	Mean	S.D	No.	Mean	S.D
DAT1	3.25	0.86	HC1	3.25	0.78
DAT 2	3.63	0.79	HC 2	3.16	0.83
DAT 3	3.52	0.81	HC 3	3.27	0.76
Databases	3.47	0.78	Human cadres	3.23	0.77
Digital Transformation	3.31	0.79			

## 2. Effectiveness Of Accounting Information

According to a five-point Likert scale, which indicates the presence of high values, the arithmetic mean of the variable as a whole reached 3.47, which is a high value. The standard deviation of the dimension as a whole was (0.81), indicating that the differences were positive. The table displays test data related to the effectiveness of accounting information through dimensions (appropriateness of accounting information, reliability of accounting information). Overall, it can be concluded that the study sample agrees completely on the variable of accounting information efficacy, which also shows that private banks in the Baghdad Governorate have a high degree of satisfaction with this respect. One could argue that the quality of services that banks offer to all of their clients is significantly impacted by the efficacy of accounting information.

**Table (4) Descriptive statistics for the variable of effectiveness of accounting information**

No.	Mean	S.D	No.	Mean	S.D
AIRV1	3.16	0.83	AIRE1	3.36	0.75
AIRV2	3.46	0.81	AIRE2	3.85	0.91
AIRV3	3.82	0.78	AIRE3	3.27	0.88
AIRV4	3.43	0.87	AIRE4	3.3	0.78
AIRV5	3.28	0.78	AIRE5	3.18	0.92
AIRV6	3.76	0.76	AIRE6	3.89	0.94
AIRV7	3.42	0.92	AIRE7	3.35	0.78
AIRV8	3.86	0.79	AIRE8	3.14	0.82
Accounting Information Relevance	<b>3.524</b>	<b>0.78</b>	<b>Accounting Information Reliability</b>	3.418	0.87
Accounting Information Effectiveness	3.47	0.81			

### Fourth: Hypothesis Testing

The results of Table (5) designate the existence of a substantial correlation between digital transformation and the effectiveness of accounting information at (0.933), to show the interest of employees in private banks in Baghdad Governorate in improving the relationship between digital transformation and the effectiveness of accounting information. The results also showed the existence of a correlation between digital transformation and the dimensions of the effectiveness of accounting information.

**Table (5) Correlation Matrix**

Variables	1	2	3	4	5	6	7	8
Technologies	1							
Digitalization of processes	<b>.759**</b>	<b>1</b>						
Databases	<b>.547**</b>	<b>.615**</b>	<b>1</b>					
Human resources	<b>.908**</b>	<b>.912**</b>	<b>.790**</b>	<b>1</b>				
Digital transformation	<b>.893**</b>	<b>.915**</b>	<b>.712**</b>	<b>.640**</b>	<b>1</b>			

Accounting information relevance	.520**	.974**	.581**	.823**	.824**	1		
Accounting information reliability	.760**	.860**	.792**	.693**	.758**	.786**	1	
Accounting information effectiveness	.580**	.800**	.680**	.841**	.933**	.939**	.909**	1

According to Table 5's findings, private banks' greater interest in digital transformation in the Baghdad Governorate improved accounting information's effectiveness by 0.542, which in turn led to a decrease in error rates of 0.028. This indicates that digital transformation helped to explain 0.870 of the square of variance in accounting information's effectiveness.

Table (6) Standard results of the impact of digital transformation on the effectiveness of accounting information

Path		Estimate	S.E	C.R	R <sup>2</sup>	P
Digital Transformation	---> Effectiveness of Accounting Information	0.542	0.028	20.88	0.870	0.001

### 3. CONCLUSIONS AND RECOMMENDATIONS

#### First: Conclusions

1. Digital transformation contributes to completing routine operations, reducing the time required to complete tasks, increasing accuracy in operations, and reducing human errors through the use of digital systems.
2. Digital transformation has brought about a qualitative shift in the performance of institutions in various administrative systems at all levels of management in different organizations.
3. The continuity of digital transformation will contribute to enhancing the position of private banks in Baghdad Governorate and increasing their ability to compete and grow.
4. There is a positive relationship between digital transformation and the effectiveness of accounting information in Iraqi private banks in Baghdad Governorate. By improving the effectiveness of accounting information, Iraqi banks can monitor financial results and calculate financial risks more effectively, which helps improve their financial performance and raise their operational efficiency.
5. The results showed that the main role of digital transformation in this regard is to provide bank officials with the accurate and comprehensive accounting information and data they need to make correct and informed financial decisions.

## **Second: Recommendations**

1. Investing in modernizing the technological infrastructure to ensure efficient support for digital transformation.
2. Organizing comprehensive training programs to develop employees' skills in dealing with new digital technologies.
3. Encouraging an innovative work environment by motivating employees to present new ideas and use modern technologies
4. Adopting a flexible approach that allows banks to respond quickly to changes in the market and new technology.
5. The need to pay attention to the importance of effectively improving accounting information in Iraqi banks in instruction to recover banking performance and raise the efficiency of banking operations.
6. It is important to train employees to use accounting information effectively, so that they can analyze financial data correctly and make the most appropriate decisions.

## **4. REFERENCES**

- Ahmed, H. J. (2014). Accounting information systems: A contemporary applied introduction (1st ed.). Dar Al Manahij.
- Ahmed, J. M., Ahmed, H. A. R., Al Hassani, A. R. A. T., Balah, K. A. D., & Dahab, Y. Z. (2016). The role of computerized information systems in making investment decisions in commercial banks: A field study on some Sudanese banks. Published Research, Sudan University of Science and Technology, College of Business Studies.
- Akram, S., & Yazid, B. S. (2017). The impact of the efficiency of applying accounting information systems on the quality of external auditing. *Review of Research in Financial and Accounting Sciences*, 4, 1-15.
- Al-Badri, H. J. (2017). The impact of the quality of accounting information in financial statements on the decisions of their users: An applied study in a group of Iraqi companies. *Al-Ghari Journal of Economic and Administrative Sciences*, 14(1), 55-78.
- AlBastaki, T. Y., & Hamdan, A. (2023). The impact of accounting information systems on organizations' financial performance. In *International Conference on Business and Technology* (pp. 41-50). Springer.
- Ali, B. J., & Oudat, M. S. (2021). Accounting information system and financial sustainability of commercial and Islamic banks: A review of the literature. *Journal of Management Information and Decision Sciences*, 24(5), 1-17.
- Appio, F. P., Frattini, F., Petruzzelli, A. M., & Neirotti, P. (2021). Digital transformation and innovation management: A synthesis of existing research and an agenda for future studies. *Journal of Product Innovation Management*, 38(1), 4-20.

- Azizi, R., Bernadus, G. S., Aedah, A. R., Sri, P. L., & Alexius, U. B. (2020). Systematic review of the builder method and product of the information system strategic planning at higher education institution in Indonesia. *Journal of Advanced Research in Dynamical & Control Systems*, 12(6), 939-947.
- Becerra-Fernandez, I., & Sabherwal, R. (2014). *Knowledge management: Systems and processes* (2nd ed.). Routledge.
- Beest, F. V., Kamariotou, M., & Kitsios, F. (2019). Strategic planning and information systems success: Evaluation in Greek SMEs. In 2019 IEEE 21st Conference on Business Informatics (CBI) (Vol. 1, pp. 204-211). IEEE.
- Bonnet, D., & Westerman, G. (2020). The new elements of digital transformation. *MIT Sloan Management Review*, 62(2).
- Braam, G. J. M., & Boelens, S. (2009). Quality of financial reporting: Measuring qualitative characteristics. *Journal of Business Finance & Accounting*, 36(1-2), 95-116.
- Dąbrowska, J., Almpantopoulou, A., Brem, A., Chesbrough, H., Cucino, V., Di Minin, A., ... & Ritala, P. (2022). Digital transformation, for better or worse: A critical multi-level research agenda. *R&D Management*, 52(5), 930-954.
- F., & Sitokdana, M. N. N. (2020). Strategic planning of information system in PT Satya Mitra Sejahtera using Ward and Peppard. *Tepian*, 1(3), 111-114.
- Hock, O. Y., Yaser Alraei, A. B. A., Asif, M. K., & Mohammad Imtiaz, H. (2019). Developing a framework on performance and challenges of strategic management information system: A case study on Ministry of Interior, UAE. *International Journal of Academic Research in Business and Social Science*, 9(5), 633-646.
- Holmström, J. (2022). From AI to digital transformation: The AI readiness framework. *Business Horizons*, 65(3), 329-339.
- Imran, F., Shahzad, K., Butt, A., & Kantola, J. (2021). Digital transformation of industrial organizations: Toward an integrated framework. *Journal of Change Management*, 21(4), 451-479.
- Konopik, J., Jahn, C., Schuster, T., Hoßbach, N., & Pflaum, A. (2022). Mastering the digital transformation through organizational capabilities: A conceptual framework. *Digital Business*, 2(2), 100019.
- Kraus, S., Durst, S., Ferreira, J. J., Veiga, P., Kailer, N., & Weinmann, A. (2022). Digital transformation in business and management research: An overview of the current status quo. *International Journal of Information Management*, 63, 102466.
- Kraus, S., Jones, P., Kailer, N., Weinmann, A., Chaparro-Banegas, N., & Roig-Tierno, N. (2021). Digital transformation: An overview of the current state of the art of research. *SAGE Open*, 11(3), 21582440211047576.
- Li, F. (2020). Leading digital transformation: Three emerging approaches for managing the transition. *International Journal of Operations & Production Management*, 40(6), 809-817.



- Mahmoud, J., & Dabash, A. (2016). The impact of the quality of accounting information on investment decision-making: A study of a sample of economic institutions in the state of Constantine, Algeria. *Journal of the Baghdad College of Economic and Administrative Sciences*, 47, 85-106.
- Majchrzak, A., Markus, M. L., & Wareham, J. (2016). Designing for digital transformation. *MIS Quarterly*, 40(2), 267-278.
- Monteiro, A., & Cepêda, C. (2021). Accounting information systems: Scientific production and trends in research. *Systems*, 9(3), 67.
- Nadkarni, S., & Prügl, R. (2021). Digital transformation: A review, synthesis and opportunities for future research. *Management Review Quarterly*, 71, 233-341.
- Plekhanov, D., Franke, H., & Netland, T. H. (2022). Digital transformation: A review and research agenda. *European Management Journal*.
- Sayedhom, S. J. (2018). The role of accounting information systems in making investment decisions (Master's thesis). Sudan University of Science and Technology, College of Graduate Studies.
- Schwertner, K. (2017). Digital transformation of business. *Trakia Journal of Sciences*, 15(1), 388-393.
- Taha, A. A. I., Saleh, M. A., Musa, M. Y., Muhammad, S. A. M., & Mustafa, M. A. (2017). The role of accounting information systems in the quality of financial reports. Published Research, Sudan University of Science and Technology, College of Business Studies.
- Van Veldhoven, Z. (2022). Digital transformation as an interaction-driven perspective between business, society, and technology. *Electronic Markets*, 32(2), 629-644.
- Verina, N., & Titko, J. (2019). Digital transformation: Conceptual framework. In *Proceedings of the International Scientific Conference on Contemporary Issues in Business, Management and Economics Engineering* (pp. 9-10).