

The Impact of Business Intelligence and Enterprise Resource Planning (ERP) on Management Accounting Practices

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ABSTRACT

This study examines the effect of using Business Intelligence (BI) and Enterprise Resource Planning (ERP) on Management Accounting Practices (MAPs) in national companies with direct contact with large numbers of CFOs, CEOs, and Accountants. We figured out that these relationships between the three variables (BI, ERP and MAPs) have a strong influence on the organization's system and it allows them to take the best decisions easily and on time. To achieve these objectives, data analysis is conducted by using descriptive analysis and regression model. The results indicate that ERP has a positive effect on BI and MAPs.

INTRODUCTION

Our study is about the impact of Business Intelligence and Enterprise Resource Planning on Management Accounting Practices. Business Intelligence is a collection of tools, technologies and software solutions that are used to collect data from different sources, integrate it and analyse it to make it widely available. Enterprise Resource Planning is the type of software that organizations use to manage day-to-day business activities such as Accounting. Management Accounting Practices are systems that enable firms to generate information for budgeting, reporting, and controlling, measuring performance, and costing products and services that in turn assist in managerial decision making.

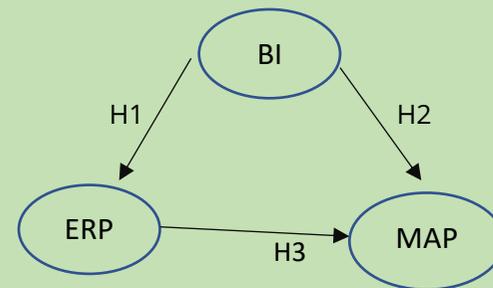
METHODOLOGY

This study used a primary data approach through a questionnaire containing 29 questions for collecting data from a sample of CFOs, CEOs, and Accountants and received a total of 302 responses. The questionnaire was divided into two parts, 8 demographic questions such as (gender, job title, current qualifications, work experience, main sector, ownership form, legal form, and organization size), and 21 questions related to our 3 variables. Our questionnaire was distributed digitally using Google Forms. We used SPSS to analyze data and test the following hypotheses:

H1: There is a significant relationship between Business Intelligence and ERP.

H2: There is a significant relationship between Business Intelligence and MAPs.

H3: There is a significant relationship between ERP and MAPs.



RESULTS

Factor analysis: It observed from the matrix of correlation coefficients and regression analysis that there is a significant positive strong relationship between Business Intelligence and Enterprise Resource Planning since ($R^2=.554$, $P< .001$). Also, there is a significant, positive and strong relationship between Business Intelligence and Management Accounting Practices since ($R^2=.653$, $P< .001$). There is a significant, positive and strong relationship between Enterprise Resource Planning and Management Accounting Practices since ($R^2=.456$, $P< .001$). **From the KMO and Bartlett's test**, we found that (KMO) value is .939 which is more than 0.50 and from the significant value less than 0.05, which means that the Factor analysis is suitable to be used for analysing the data of the research. R square values in the research model are more than 50% which means that there is a proportion of the variance for a dependent variable that's explained by the independent variables. **In the ANOVA tables**, the significant values are less than 5% which means that there is a significant relationship between variables. After analysing and testing data we accepted the three hypotheses.

CONCLUSION

The use of Business intelligence, ERP, and management accounting practices have a very strong influence on the organizations, it allows them to deal with data and information in more accurate ways. organizations must add business intelligence to reap the full benefits of ERP. The efficiency of business intelligence and ERP must be improved in all departments of the company to improve the quality of performance and production because they have a significant impact on it.

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