

## أثر إدراك الجودة والفائدة على رغبة المستثمرون الليبيون لاستعمال القوائم المالية عبر الانترنت.

■ د. محمد فرج شقوف\*\*

■ د. مصطفى البشير منيع\*

### ملخص باللغة العربية

سعت هذه الورقة إلى قياس مدى اعتماد المستثمرون الليبيون الذين يتعاملون في سوق الأوراق المالي الليبي على القوائم المالية التي تنشرها الشركات والمصارف المسجلة بالسوق الليبي. كما سعت هذه الدراسة إلى قياس مدى رغبة المستثمرون الليبيون في المستقبل على مواصلة استخدام القوائم المالية التي تنشر عبر المواقع الالكترونية الخاصة بهذه الشركات والمصارف. ولغرض تحقيق أهداف هذه الورقة، قام الباحثان بتصميم صحيفة استبيان ، حيث تم توزيع (40) استبيان على هؤلاء المستثمرون وذلك لغرض استقصاء آراهم حول أثر جودة وفائدة المعلومات المستقاة من القوائم المالية المنشورة عبر المواقع الالكترونية. ولغرض اختبار فرضيات هذه الورقة ، تم استعمال الأسلوب الإحصائي المناسب (T. Test).

ولقد توصلت هذه الورقة إلى النتائج الآتية:

- 1 - أن المستثمرون لديهم الرغبة الأكيدة في استعمال القوائم المالية المنشورة عبر المواقع الالكترونية في المستقبل.
- 2 - أن الفائدة التي يتحصل عليها المستثمرون الليبيون من المعلومات المنشورة في هذه القوائم كان لها تأثير كبير في مدى الرغبة لمواصلة الاعتماد على البيانات المنشورة عبر المواقع الالكترونية لهذه الشركات والمصارف.
- 3 - إن جودة المعلومات المنشورة ضمن القوائم المالية كان أيضا لها تأثير مباشر وقوي على رغبة المستثمرون الليبيون في مواصلة استعمال المواقع الالكترونية لهذه الشركات.

عضو هيئة التدريس بقسم المحاسبة كلية الاقتصاد والعلوم السياسية-جامعة طرابلس\*

عضو هيئة التدريس بقسم المحاسبة كلية الاقتصاد والعلوم السياسية-جامعة طرابلس\*\*

---

### **The Effect of Perceived Usefulness and Perceived Quality**

- 25/** Oyelere, P., Laswad, F. & Fisher, R. 2003. Determinants of Internet Financial Reporting by New Zealand Companies. *Journal of International Financial Management and Accounting*, 14(1), 26-61.
- 26/** Verma, D., V., (2010). Web-Based Corporate Reporting Practices in India. *The IUP Journal of Accounting Research & Audit Practices* Vol (9): 7-19.
- 27/** Wagenhofer, A. 2003. Economic Consequences of Internet Financial Reporting. *Schmalenbach Business Review* Vol 55 October 2003.
- 28/** Xiao, J.Z., Dyson, J., and Powell, P. (1996). The impact of information technology on corporate financial reporting: a contingency perspective. *British Accounting Review*, Vol. 28, No. 3, pp.23-27.
- 29/** Yoo, B. and N. Donthu, 2001. Developing a Scale to Measure the Perceived Quality of an Internet Shopping Site (SITEQUAL). *Quarterly Journal of Electronic Commerce*, 2(1): 31-45.

pp.357-369.

- 11/ Fishbein , M., and Ajzen, I. (1975).Belief, attitude , intention, and behaviour: An introduction to theory and research . Reading, MA: Addison-Wesley.
- 12/ Ghani, E. K., Laswad, F., Tooley, S., and Jusoff, K. (2009a). The Role of Presentation Format on Decision-makers' Behavior in Accounting. *Business Research*, January, Vol. 2, No. 1, pp. 183-195.
- 13/ Hodge, F., and Pronk, M. (2006). The impact of expertise and investment familiarity on investors' use of online financial reporting information. *Journal of Accounting, Auditing and Finance*, Summer, pp. 267-292.
- 14/ Hodge, F. (2001). "Hyper linking Unaudited Information to Audited Financial Statements: Effects on Investor Judgments." *The Accounting Review* 76(4): 675-691.
- 15/ Khan and Siang, (1014). The effect of Perceived Usefulness and Perceived Quality Towards the intention to Use Internet Financial Reporting in Malaysia. *Middle-East Journal of Scientific Research*, 21 (8): 1357-1364.
- 16/ Lai, S. C., Lin, C., Li, H. C., & Wu, F. H. (2010). An Empirical Study of the Impact of Internet Financial Reporting on Stock Prices. *International Journal of Digital Accounting Research*, Vol. 10, pp. 1-26.
- 17/ Marston, C. (2003). Financial reporting on the Internet by leading Japanese companies. *Corporate www.ccsenet.org/ijbm International Journal of Business and Management* Vol. 6, No. 9; September 2011180 ISSN 1833-3850 E-ISSN 1833-8119.
- 18/ Masrom, M., 2007. Technology Acceptance Model and E-learning Paper presented at the 12<sup>th</sup> International Conference on Education, Sultan Hassanah Bolkiah Institute of Education, University Brunei Darrussalam.
- 19/ Marston, C. (2003). Financial reporting on the Internet by leading Japanese companies. *Corporate www.ccsenet.org/ijbm International Journal of Business and Management* Vol. 6, No. 9; September 2011180 ISSN 1833-3850 E-ISSN 1833-8119.
- 20/ Masrom, M., 2007. Technologe Acceptance Model and E-learning Paper presented at the 12<sup>th</sup> International Conference on Education, Sultan Hassanah Bolkiah Institute of Education, University Brunei Darrussalam.
- 21/ Nachmias , C.F., and Nachmias, D. (1992). *Research Methods in the social science* (fourth ed). USA: Martin Press.
- 22/ Oyelere.P, Laswad, F., and Fisher, R. (2003). Determinant of Internet financial reporting by New Zealand listed companies. *Journal of International Financial Management and Accounting*, Vol. 14, No. 1, pp.26-63.
- 23/ Pinsker, R. (2007). A theoretical framework for examining the corporate adoption decision involving XBRL as a continuous disclosure reporting technology', in: Debreceny, R.S., Felden, C. and Piechocki, M. (eds) (2007), *new dimensions of business reporting and XBRL*, Wiesbaden:DUV.
- 24/ Tsiotsou, R., 2005. Perceived Quality Levels and Their Relation to Involvement, Satisfaction and Purchase Intentions. *Marketing Bulletin*, 16(4): 1-10.

---

## The Effect of Perceived Usefulness and Perceived Quality

- 2) Libyan researchers should work to participate in enhancing the IFR, by undertaking ground research about IFR.
- 3) Based on its role in supervising the Libyan capital market, the Central Bank of Libya should have clear legislation about enhancing and employing IFR.
- 4) It was conspicuous that Libyan investors suffer from a limited level of knowledge regarding the benefits of applying IFR, when making investments decision.
- 5) Academic curriculum may play a crucial role for the awareness of the importance of using (IFR).

### Reference

- 1/ Al-Htaybat, K., L.V. Alberti-Alhtaybat and K.A. Hutaibat, 2011. Users' Perceptions on Internet Financial Reporting Practices in Emerging Markets: Evidence from Jordan. *International Journal of Business and Management*, 6(9): 170-182.
- 2/ Al-Mahamid, S., A.C. Mcadams, Al T. Kalaldehy and M. Al-Sa'eed, 2010. The relationship between perceived usefulness, perceived ease of use perceived information quality and intention to use e-government. *Journal of Theoretical and Applied Information Technology*, pp: 30-44.
- 3/ Ashbaugh ,H.Johnstone, K.M., and Warfield , T.D. (1999). Corporate reporting on the Internet Accounting. *Horizons*, Vol, 13, No. 3, pp 241-258
- 4/ Beattie, V. and K. Pratt, 2003. Issues concerning web-based business reporting: an analysis of the views of interested parties. *The British Accounting Review*, 35(2): 155-187.
- 5/ Chau, P.Y.K. and P.J.H. Hu, 2001. Information Technology Acceptance by Individual Professionals: A Model Comparison Approach. *Decision Sciences*, 32(4): 699-719.
- 6/ Dolinšek, T., Tominc, and A. L. Skerbinjek, (2014). Explore the perceptions of the users regarding Internet financial reporting practices in Slovenia: The central european journal of social sciences and humanities 47 (4) 254-266.
- 7/ Davis, F.D. (1989). Perceived usefulness, perceived ease of use, and user acceptance of information technology. *MIS Quarterly*, vol. 13, No.3, pp. 319-340.
- 8/ Debreceny, R. S., Gray, G. L., and Mock, T. J. (2002). Financial Reporting Web Sites: What Users Want in Terms of Form and Content. *The International Journal of Digital Accounting Research*, Vol. 1, No. 1, pp.1-24.
- 9/ Debreceny, R., Gray, G.L. & Rahman, A. 2002. The determinants of internet financial reporting. *Journal of Accounting and Public Policy*, 21(4-5), 371-394.
- 10/ Ettredge, M., Richardson, V.J., and Scholz, S. (2002). Dissemination of information for investors at corporate web sites. *Journal of Accounting and Public Policy*. Vol. 21,

also shows that when the perceived quality of a site is high, the purchase and site revisit intention is also high ( Yoo and Donthu, 2001). **The result of this study gives a constructive output for the preparation to produce a better IFR. The study also discovered that the perceived usefulness and perceived quality has a significant effect on the intention of (IFR) use before making an investment decision.**

As with any study, there are limitation to this research . First of all, this study is limited to the Libyan investors' experience of using (IFR). as a source of decision-making. Thus, it does not reflect the actual performance of all Libyan investors. The researchers believed that users' always used and intend to re-use (IFR) in order to obtain information for decision-making. Besides that, the samples were carried out among Libyan investors, who had shortage of experience about dealing in the investment field, therefore, this result cannot be generalized . However, the current research is believed to be valuable in providing new knowledge on (IFR), particularly regarding perceptions among several of the investors. Therefore, researchers believe that in order to improve the whole development of IFR in Libya, especially the development of a new reporting format, they need to cover and manage a research of several users and preparers. Future research should focus on specific reporting technology format in order to find the factors that are able to contribute to the Information System and Accounting area. Also, it is interesting to perform a comparative study between countries.

### **Recommendations**

Throughout this study process, the researchers came across with many areas related to the topic, that represent weakness about gaining the advantages of using IFR. After considering the finding of this study, some recommendation can be suggested regarding the practice of IFR in Libya. These recommendation can be summarized up as following:

- 1) The main role of the syndicate of accounting and auditors to develop accounting practice in Libya. It should also play a crucial role towards enhancing IFR practice in Libya.

**The Effect of Perceived Usefulness and Perceived Quality**  
**Table 4: Result of testing First Hypothesis**

Test Value				
P-Value	T. Test	S D	Sig	Mean
<b>0.05</b>	<b>1.991</b>	<b>1.083</b>	<b>0.058</b>	<b>3.42</b>

**Testing Second Hypothesis :**

Table 5 shows t. test results for perceived quality, as can be noticed that the sig value (0.134) > P, value (0.05), which means the null hypothesis will be rejected, meanwhile, the alternative hypotheses (The perceived quality has a significant effect on intention to use Internet Financial Reporting), will be accepted, (see, appendix 2 table 2).

**Table 5: Result of testing second hypothesis**

Test Value				
P. Value	T. Test	S D	Sig	Mean
<b>0.05</b>	<b>1.55</b>	<b>0.968</b>	<b>0.134</b>	<b>3.29</b>

Moreover, it can be observed that both the independent variables have a positive significant relationship with the intention to use IFR. This finding also means that the higher rate of perceived usefulness and perceived quality, The higher ratio of their intention to use IFR as a decision making instrument.

**Summary and Conclusion**

**Based on the t. test result for this study, there is evidence that the result shows there is a positive relationship between the perceived quality, and intention to use IFR, the result tells us that perceived quality has a significant effect on the intention to use IFR. This means that when the perceived quality is higher, the intention to use IFR will also be higher. It is consistent with the finding of previous studies (Mcadams, et al., 2010). Previous study also revealed that consumers who perceived higher quality of product, has a higher intention to buy the product again in future (Tsiotsou, 2005). Another study**

As we can notice from appendix no 1, table 1, there is a mean difference between investors' opinion regarding, whether, the perceived usefulness has significant effect on intention to use internet financial reporting, where, the statement of confidence of using IFR information for investors' decisions, recorded highest mean reaching 3.62. Meanwhile, the lowest ratio was recorded by using the IFR facilities anytime and anywhere enables the investors to be more efficient for (3.35).

The participants also were asked about the statement of perceived quality whether if it has significant effect on intention to use internet financial reporting. As we can notice from appendix no (1), table(2), the result shows that there is also, a mean difference between investors' opinion about this intention to use, where, the statement of IFR discloses information in terms of business opportunities and risk. This statement recorded the highest mean that reaches 3.19. Meanwhile, the lowest mean was recorded for using IFR discloses forward-looking information with 3 points. According to an appendix no (1) table (3), the results revealed that there is mean differences between Libyan investors' opinion regarding if the Libyan investors' have intention to use IFR in the future, or not among (3) statements, the statement of intention to increase the usage of IFR by Libyan investors' decision making instrument in the future recorded the highest mean with (3.54).

## **Hypotheses Testing**

### **Testing First Hypothesis :**

Table (4) below shows the results of T. test results, if the perceived usefulness has no significant effect on intention to use Internet Financial Reporting, as we can be noticed that the sig value (0.058) > that P-value (0.05), which that means, the null hypothesis will be rejected, meanwhile, the alternative hypothesis (the perceived usefulness has significant effect on intention to use Internet Financial Reporting), will be accepted, (see, appendix 2 table 2).

**The Effect of Perceived Usefulness and Perceived Quality** system, Meanwhile, about 15.4 % are specialized at business and, the less percentage noticed for respondents who are specialized at banking of (7.7). The higher experience ratio for the respondents who are working at investment sector less than 5 years was (34.6). Meanwhile, the less ratio for the respondents who are working at investment sector from 11 to 15 years was (11.5).

**Table 3: Profile of respondents**

<b>Demographic</b>	<b>Item</b>	<b>Frequency</b>	<b>Percentage (%)</b>
<b>Gender</b>	Male	26	100
	Female	-	-
<b>Academic qualification</b>	Diploma	9	34.6
	Bucher	14	53.8
	Master	2	7.7
	PhD	1	3.8
<b>Organization</b>	Private sector	24	92.3
	Public sector	2	7.7
	Other	-	-
<b>Sources of Information</b>	Hard copy	18	69.3
	Website	8	30.7
	other	-	-
<b>Majoring</b>	Accounting	11	42.3
	Business	4	15.4
	Banking	2	7.7
	Information System	5	19.2
	Other	4	15.4
<b>Experience</b>	Less than 5 years	9	34.6
	From 5 to 10 year	8	30.8
	From 11 to 15 year	3	11.5
	From 16 to20 year	6	23.1



towards intention to use (IFR).

### **The Reliability Statistic Test**

The internal consistency of each of the measure (Likert scale question) was measured using Cronbach's Alpha. The results presented in Table (2). Indicated that all measures collectively produced a very high alpha coefficient, which was (0.985). The alpha value exceeded the recommended level of 0.5 by Hair et al., (1995).

**Table 2 : The Reliability Statistic Test**

No	Statements	No of Items	Crobach's alpha
1	An overview to measure perceived usefulness (Perceived Usefulness)	6	0.956
2	An overview of perceived quality used to describe useful financial reporting(Perceived Quality)	23	0.978
3	An overview regarding statements of intention to use (IFR)	3	0.834
<b>Total</b>		<b>32</b>	<b>0.985</b>

### **Results and Discussion**

**Descriptive Results:** Based on the usable data collected, 100% of the respondents are male respondents. 53.8 % of the respondents have a bachelor certificate and about 34.6 % of the respondents are degree or diploma certificate holders. 7.7 of the respondents have a master degree and 3.8% have a doctorate degree. Furthermore, 92.3 of the respondents are working in a private sector, followed by 7.7 % who are working in the public sector, such as government. About 30.7 % of the respondents are using IFR information as their primary decision making instrument and 69.3 % are still using the traditional hard copy annual report. Non of respondents are using another source of information such as research report, news, forum, investment information website and newspaper. About 42.3 % of respondent are majoring at accountancy and about 19.2 are specialized at information

**The Effect of Perceived Usefulness and Perceived Quality** was used for collecting primary data, meanwhile, the secondary data was collected from many sources ( books, journals). In this study, the questionnaire was designed according to the self-administered type using Internet-mediated questionnaires and hard copy printed questionnaires which was delivered to each respondent and collected later.

### Response Rates

Out of forty questionnaires distributed, a total of twenty seven questionnaires were returned with complete response. This number represented a response rate of 67.5% of distributed questionnaires. This number is considered to be a very good response for a questionnaire tool. the typical response rate for questionnaire tool is between 20 per cent and 40 per cent (Nachmais and Nachmaia, 1992). The table no 1, below provides more detail about distributed and returned questionnaires.

**Table 1 : Response rates of respondents**

User group	Distributed questionnaires	Received questionnaires	Distributed Returned Rates%
Libyan Investors	40	26	67.5%

### Sampling Method

This study is characterized by dealing with investors group who are dealing within Libyan market, this group looking for the most benefit from the using internet financial reporting, and have enough experience at working at investment field.

### Analysis

The questionnaire was distributed to different Libyan investors to obtain their perceived quality and usefulness about (IFR). When, the questions forward and ask them to determine the degree of importance of each item concerning perceived quality and usefulness of (IFR), using a five-point Likert as mentioned above. Meanwhile, the One Sample T- test was applied to test the study hypotheses to find if whether there are any significant differences between investors ‘ views regarding the effect of quality and usefulness

null hypothesis to be tested:

**H02** : The perceived quality has no significant effect on intention to use Internet Financial Reporting.

### **Research Design**

#### **Research Objectives:**

The main objective of this study is to carry out an empirical investigation to obtain the perceived usefulness and quality from the Libyan investors who are dealing within Libyan market), about IFR practice in Libya as important source of information for decision- making. This study will follow Ghani et al. (2009b) and Al-Htabat et al., (2011) who divided the users' perceptions regarding online reporting format into two elements: perceived usefulness and perceived quality.

#### **Research Instrument:**

According to Al-Htabat et al., (2011), there are no one method fits all studies, a number of methods can be used to gather requirements and identify tasks for research. They added that the specific requirements, research nature, and objectives of research will usually influence the appropriate method or methods to use. Additionally, each method of data collection has its strengths and weaknesses, and these varied methods allow researchers to evaluate which method is most appropriate for a given situation.

#### **Questionnaire Design:**

The questionnaire consists three parts and thirty nine questions regarding the level of perceived usefulness and quality towards the intention to use (IFR) from investors' perspective. Items is answered in the form of 5 points Likert scales (1 = Strongly Disagree, 2 = Disagree 3 = Neutral, 4 = Agree, 5 = Strongly Agree).

#### **Data Collection Method:**

The main purpose of this study is to examine the perceived usefulness and quality of (IFR) information from investors' perspective, as well as determining the investors' intention to use (IFR) in Libya. Questionnaire tool

---

**The Effect of Perceived Usefulness and Perceived Quality**

professional member emphasise on the usefulness of technology rather than its ease of use. Marsom (2007) study showed that perceived usefulness is more significant in determining intention to use compared to attitude towards using the e-learning system. She also, found that a significant effect of perceived usefulness and perceived ease of use towards using the technology. Dolinsek et., al (2014) explored the perceptions of the users in Slovenia, regarding Internet financial reporting practices in Slovenia. they determined what the perceptions of the users are regarding the reliability, credibility, usefulness and sufficiency of online accounting information and how their expectations regarding the content of accounting information differ from the actual situation. The results of this research can offer companies a feedback on users' expectations, particularly in cases where these expectations are greater than the actual situation. They found that users generally want information that indicates the financial status of a company (such as the Rating Report and data on the company's liquidity), as these information are currently expected by users but available information do not meet their needs. Based on above discussion, the researcher formulated the following null hypothesis to be tested:

**H01 :** The perceived usefulness has no significant effect on intention to use Internet Financial Reporting.

**Perceived Quality:**

In this regard, many studies were conducted, such as Almahamib et., al (2010), in their study found that the Jordanian citizens who perceived high level of information quality will use the e-government system to gather data and conduct transaction In another study, Tsiotsou (2005) found that the consumers who perceived the quality of sports shoes to be high have a bigger intention to buy them again in the future. Furthermore, Yoo and Donthu (2001), conducted another study regarding , internet shopping site quality measurement . Their results revealed that the higher perceived quality of site, the better attitude and behaviour in the purchase intention and site revisit intention. Based on above discussion, the researcher formulated the following

and allowing the opportunity for providing more information than available in the annual reports. This improved accessibility of information results in more equitable information dissemination among stakeholders”.

In line with this results, *Khan and Siang (2014)*, found that using of internet financial reporting was useful for making a sound decision for investment, and users have attention to use this report. From the other angle, few of studies focus on, the demand side of (IFR). One of these studies was Beattie and Pratt, (2003); they looked at users’ information attitudes and preferences. The study’s results revealed that the expansions of (IFR), were favourable, that specific navigation tools and formats were considered useful, and that various favoured different formats.

By reviewing the previous studies, it is obvious that little, if any, information is presented concerning (IFR), as a result of needs of users of financial statements, no significant mention is made relating to (IFR) in Libya. A thorough review of the literature for this study revealed a total inadequacy which the current body of knowledge has in relation to (IFR). Therefore, it was not difficult to establish the fact that a sufficient gap in the literature exists to indicate that this study is justified, needed and opened several new research avenues in order to improve users understanding of (IFR), in Libya. likewise, it should make a contribution to the general body of knowledge on (IFR).

## **Hypotheses Developments**

### **Perceived Usefulness:**

Various studies were undertaken regarding usefulness of electronic information via the Internet, One of them, Davis (1993), The results of his study revealed that, the perceived usefulness was 50% more influential than ease of use in determining the usage of new system. Another study was undertaken regarding (TAM) by Chau and Hu (2001), they examined the information technology acceptance by professional members in Hong Kong. The outcome showed that perceived usefulness was significant determinant of attitude and behavioural intention in (TAM). They also, found that the

---

**The Effect of Perceived Usefulness and Perceived Quality** on different angles regarding the issues of (IFR). Some of them, investigated users' perception of the actual information provided through (IFR) and whether such information had an impact upon their decision-making. For example, Ettredge et al., (1999), focused on relationship between the level and feature of (IFR) and users' characteristics. They found that the sophisticated user generally led to a more extensive online data provision (for instance the full annual report), whereas the less sophisticated user was provided with more abbreviated financial information (for instance a summary of the annual report).

In other study, Hodge and Pronk (2006) examined whether professional and non-professional investors use varying online financial information, and whether there was a direct association between the information they were using and the investors' familiarity with the investment. The findings showed that professional users to rely on the published financial statements in (PDF) format, whereas non-professional users prefer the managers' take on the results in (html) format.

From the other side, many prior studies focused on the technology used for (IFR) and what user' perceptions of the varying reporting formats are. For instance, Hodge (2001), identified whether firms can influence investors' perception of their financial reports by hyper linking audited financial statement to unaudited information. The study found that this affected investors' judgement, and further misclassification of audited or un-audited financial information may mislead investors. Ghani et al., (2009b) also, examined the user' preferences of the online reporting format and the effect of such format on decision- making .Their results showed that the ease of use was perceived similarly for all three reporting formats, whereas perception of usefulness varied greatly which was positively linked with their decision accuracy for HTML and XBRL, but not for PDF. In this context Oyelere et al., (2003, p.38) argued that:

“Internet reporting improves users' access to information by providing information that meet their specific needs, allowing non-sequential access to information through the use of hyperlinks, interactive and research facilitates,

perceived ease of use, which in turn influences perceived usefulness. Pinsker, (2007) argued that both of these aspects (usefulness and quality) from potential users' attitudes towards the technological development, spurring behavioural intention of use and eventually actual use. In the context of (IFR), Xiao et al., (1996) added that external variables reflect a contingency approach, such as a certain level of education and knowledge is necessary to be considered a representative user. Assuming the ability to make a rational assessment of (IFR), the potential user then assesses how quality and useful IFR is, which explain their respective attitudes. From this finding, inference can be made regarding the intention to use the actual use of (IFR).

### **Literature Review**

To investigate the perceived usefulness and quality of (IFR), and to provide answers about the hypothesis of this paper, the following section is to summarise of the studies that carried out in the area of (IFR). According to Al-Htaybat et al., (2011) the practice of (IFR) has been researched extensively in different countries, and since the late 1990s; several studies in the field of (IFR) has taken in various countries. Some of these studies were carried out in the western country such as: Ashbaugh et al., (1999), and Ettredge et al., (2002). The others were undertaken in Asia and Australasia, including Oyelere et al. (2003) in New Zealand; Marston (2003) in Japan, Lai et al., (2010) in Taiwan, Verma (2010) in India, Khan and Siang (2014). All of these studies investigated (IFR) mainly from the viewpoint of what companies offer.

In the Arab context, also, many studies have been focused on the issues of (IFR) such as , Mohamed et al., 2009, Al-Hayale, 2010, Al-Mahamid et al., (2010) and Al-Htaybat et al., 2011. In addition, Debrecey et., al (2002), agreed that various studies show that most listed companies now disclose financial information on their websites, and that the level of disclosure has increased over the last years. In the line with this, Al-Htaybat et al., (2011), stated that the internet has probably become the primary source for users searching for Electronic financial reports.

Reviewing the literature revealed that many prior studies have been focused

---

**The Effect of Perceived Usefulness and Perceived Quality**  
growth and technology. Libya was ranked number 132 regarding readiness of taking advantage of technology the second year running. Furthermore, Libya was ranked 7<sup>th</sup> from the 16 Middle East and North Africa region countries. Despite, the bad situation in Libya since 2012, the information Technology sector in Libya has developed greatly as can be understood from the World Bank findings (WB, 2014).

### **Prior Studies**

Previous studies have done a lot of research pertaining to perceived ease of use, perceived usefulness, and theoretical context .The following section is divided into two parts: firstly review of the theoretical context, thus, the secondly part is devoted for discussion of studies investigating users' Perceived regarding usefulness and quality.

### **The Theoretical Context**

The financial reporting has been subject to development through the implementation of Internet Financial Reporting ( Pinsker , 2007), and reporting languages, such as (XBRL), whereas, the landscape of most field and operations of research and business practices have vastly changed by the technological developments (Al-Htaybat, 2011). In addition, Al-Htaybat, (2011). added that using this new technological development (XBRL) has been arisen out many questions about usefulness, usability and effectiveness. Davis's study which carried out in (1989) added an extension to theory of reasoned action (Fishbein and Ajzen, 1975), which the author labelled Technology Acceptance Model (TAM). Theory of reasoned action suggests that individuals have the rational ability to use information, and that this processed information is used to achieve reasonable behaviours (Fishbein and Ajzen, 1975).

In line with this, Al-Htaybat (2011), argued that the technology acceptance model (TAM), extends theory of reasoned action and suggests that perceived usefulness and perceived ease of new information technology applications will influence the attitude towards and adoption of any application. Al-Htaybat (2011), added that the (TAM), also considers two variables as influential on



made the disclosure of financial reporting on internet has become one of the important ways to disclose financial information to help users to take a sound decision . Wagenhofer, (2003), also, agreed that the internet may improve the availability of financial information within firms themselves. For example, many of the processes that occur in distant places can be automated and fed into a firm-wide information system. Al-Htaybat, et al., (2011), found that, the financial reporting developed in the early twenty-first century from the traditional design of the printed annual report to the contemporary Internet Financial Reporting to aiming specifically to satisfy varying users 'needs. Financial reporting is considered as the common tool of disclosing companies' financial information, and it is predicted that (IFR) will gradually replace printed financial reporting as more companies will use (IFR) to provide financial information and communication with accounting information users (Beatti and Pratt, 2003).

The reason of choosing the Libyan country to be the primary focus of this study has been made for this study as Libya is one of the new emerging market in the North Africa confronted with new changes in the economic environment, the financial capital market and the emergence of new interest in technological innovation and global network communication since the late-1990. Internet use has grown rapidly in Libya since then, as the Libyan government initiated a new orientation towards using the internet for different purposes, for instance using the internet for providing news and comments online, with the result that Libyan can obtain information from the internet. Furthermore, individuals, corporations and organization can establish their own internet accounts easily without any government approval or registration required to open an account or set up a web site.

In this context, the global competitiveness report 2014 assesses the competitiveness report of the telecommunications and information technology sector for the years 2013/2014. This study covered 142 countries, which were classified into four groups from high-to low –income based on gross national income (GNI) per capital in order to compare the relationship of economic

# The Effect of Perceived Usefulness and Perceived Quality

## Towards the Libyan investors' intention to Use Internet Financial Reporting

■ Dr Mustafa Elbasher Mnea\*

■ Dr Mohamed Farag Shgluf\*\*

---

### Abstract

The purpose of this paper is to measure the level of perceived usefulness and perceived quality of internet financial reporting (IFR) from a investors' perspective. This study uses the Libyan investor from online forum in Libya. The perceived usefulness and perceived quality are used to examine the intention to use IFR. To fulfill, the aims of this study, questionnaire tool was designed and presented to participants to get their opinions about using (IFR). Meanwhile, One Sample T- test was applied to test the study hypotheses. The outcome of this study indicates that the perceived usefulness and perceived quality are significant to the intention to use IFR by Libyan investors who are dealing with Libyan capital market (Tripoli) .

**Key words:** Perceived Usefulness, Perceived Quality Internet Financial Reporting User Perception .

### Introduction

The innovation of computer and Internet allows information sharing in just a few clicks. The most obvious example is Face book and Twitter, The social net work used widely in this age ( Khan and Siang, 2014). In addition, Khan and Siang (2014), added using of internet in different accounting felids,

---

\* Staff member Assistant Accounting department. Faculty of Economics Bolitical Scienc Tripoli University

\*\* Staff member Assistant Accounting department. Faculty of Economics Bolitical Scienc Tripoli University