

## Conceptual Model of Information Technology and Its Impact on Financial University Performance in North of Jordan

Fawzi Altaany<sup>1\*</sup>, Attallah Hassan Mohamed Al-Taani<sup>2</sup>

*Department MIS, Irbid National University, Faculty Of Administrative And Financial Sciences, Irbid, Jordan.<sup>1</sup>*

*Department Of Banking And Finance, Faculty Of Economics And Administrative Sciences, Jerash University, Jordan<sup>2</sup>*

### ABSTRACT

Information technology is heart of information system; however, it's proved information system with data, information and knowledge from the component of information technology (hardware, software, database and network communication) because they play a critical role in any organization and affects managers and their organizations in financial University performance. Information Technology can be defined as the used of electronic means which involve access storage, processing of electronic technology to handling of information. The study aimed to made Conceptual model and investigate the uses Information Technology for employee at Private University in the north of Jordan from their perspective of Users' satisfactions and impact of Information Technology on University performance of employee. The study method was a descriptive survey which uses questionnaire to collect data, questionnaire was justified and developed by the researcher to measure the university performance based on previous studies its applied to (90) employee from University in the north of Jordan. The study was using SPSS to analyses data. The results indicate that uses Information Technology for employee at University in the north of Jordan there were a statistically significant relationship between the Information Technology and University performance of employee at University in the north of Jordan; however the sample reported a significant in the hypotheses and accepted. The study have Conclusion should gives more attention to focus on and beneficial of using Information technology applications.

**Keywords:** Information technology, Users' satisfactions, financial University performance

### I. INTRODUCTION

Information technology was parts of information system; information has always been an essential part of every University in private or public sector, its importance for financial University performance and managers needed it's to maintain their capital, to ensure its smooth running and achieve goals in their financial University performance [1]. Financial University performance is concerned with maximization of profitability and the owner's wealth [2].

Information Technology can be defined as the used of electronic means which involve access storage, processing of electronic technology to handling of information, the various forms of information Technology (hardware, software, database and network communication) uses in order to improve financial performance of the operations and profitability of the business as a whole.

The information must be accurate, relevant, timely, and complete as it should provide a valid and reliable reflection of reality, information Technology brought by new technologies has had a significant effect on the all people life, financial University performance and play globally, It is the technology that is makes the information revolution[3].

Today's organizations external environment (social, legal, economics, political and technology) is very dynamic and witness rapid changes as a result of the innovation, technological changes and increased understanding of customers. Financial information system performance were operates in dynamics, complex and competitive environment characterized by these changing conditions and highly unexpected with Information Technology is at the centre of this global change curve.

According to [4] stated that managers cannot disregard Information Systems because they play a critical role in financial University performance. They agreed that the all 500 companies are linked to Information System. The application of information technology concept, techniques, policies and implementation Strategies to company has become a subject of fundamental importance and concerns to all organizations to meet global competitiveness. Information technology directly affects the Users' satisfactions, the financial performance and the nature of services offered in the organization. Information technology has continuously changed the way of organization relation worldwide with the variety of innovative features and devices available to enhance financial

information system performance, the speed and quality of product or services delivery.

Organizations providers should modify their traditional operational working to remain their financial University performance and viable [5]. Thus, information technology has emerged as a stimulant for increase Users' satisfactions to provide the product or serves of the world to aid the process and procedure required to ensure the financial University performance and various organizational goals.

The role of Information technology in the financial University performance in public or private sector became of interest to this study due to the significant role it plays in organization by stimulating them through the intermediation of that need them for productive activities. This function is very vital for any organization that intends to experience meaningful growth because it makes more efficiently and effectiveness too than if they had to relate directly with one another [6].

Hence, the objective of this study is to provide conceptual model and examine the roll of information technology in ensuring efficient service delivery in the financial University performance at the north of Jordan as a strategy for the actualization of the maximization financial performance.

## II. IMPORTANCE OF THE STUDY

The importance of this survey comes from the following points:

1. The importance of this study is to call for the development of and interaction with modern information technologies, as it works to promote management efficiency which is reflected in a positive way to improve financial University performance.
2. The study contributes to highlight the information technologies in the university in north of Jordan to demonstrate the importance of use, and highlights the strengths and weaknesses resulting.
3. The issue has not been addressed to research in the university in north of Jordan
4. This study working on recommendations after analyzing the results of research, as well as researchers can benefit from this study.

## III. AIM OF THE STUDY

The objective of the study consists of the following:

1. Examine the current reality of information technologies and their roll on improving financial performance of university in north of Jordan.
2. Study of human and physical potentials available in the Jordanian university in the

north of Jordan that help to improve financial University performance.

3. To make recommendations to enhance the role of information technologies to improve university performance.
4. Find out how information technologies support at all levels of management of university in Jordan.

## IV. PROBLEM OF THE STUDY

Developed of information technology which the heart of information system, the information of technology which had software, hardware, Database and network communication are effects the Users' satisfactions behavior and financial performance of university, these technologies having a significant impact on social development especially of financial University performance [7]. At present, the Ministry of Education and Ministry of Higher Education in Jordan talk for improvement of education in Jordan but the financial performance was one element to improve these University to produce outputs learning efficient and effectiveness, the researcher is a university professor at one of Jordanian universities, researcher realized that most of undergraduate students and academics in university are using information technology that was create more knowledgeable and satisfied with its. However, there are challenges users commonly face while using information technology, the researcher tried to know and investigated of using information technology and its roll on financial performance of University at the north of Jordan.

## V. HYPOTHESES

In order to address the problem of study and achieve its goals, hypotheses were developed as follows:

H1: There is a significant statistical between using information technology and financial University performance at the north of Jordan from perspective of Users' satisfactions.

## VI. THEORETICAL BACKGROUND

The University organization is becoming highly Information technology based due to it's inter departments link; it appears to have the most of the benefits of revolution in technology, as can be seen by its application to almost all areas of its activities [8]. Information technology has broadened the scope of University practices and changed the nature of the learning in University as well as the competitive environment to have the effectiveness and efficiency in financial University performance which they operate. These information technology were assist the world for University and they are currently taking due advantage of these

innovations to provide improved financial performance of University in the face of competition and faster services that enhance performance [9].

Information technology advancement facilitates financial performance of University and creates convenient alternatives to learning and helped Users' satisfactions in the University to the development of a truly global of operative. Users' satisfactions were widely discussed by researchers and administrators. They have stated important, interest and benefits of Users' satisfactions [10]. In general, understand Users' satisfactions and its variable is very important to achieve objective or goals [11]. Price defined Users' satisfactions simply as affective orientation of worker to their job [12]. The first component of Information technology was Hardware is defined as any physical component of a computer system that contains a circuit board, second was Software is a generic term for organized collections of computer data and instructions, third was Database Systematically organized or structured repository of indexed information (usually as a group of linked data files) that allows easy retrieval, updating, analysis, and output of data. Stored usually in a computer and the final was Network is a systems integrator and government solution provider with a deep expertise and broad experience in design and integration of complete projects covering Data, Video and Voice services [13].

Technological advance are important due to the fact that it will be feasible to outsource quite a number of the University and regulation can be more technologically dependent and better focused rather than focusing on conceptual guidelines. Information technology revolution both in terms of innovation rate and speedy operation has made a good number of university embrace the use of Information technology and infrastructure in their operations [14].

## VII. LITERATURE REVIEW

Managers needed information Systems which contain information technology because they play a critical role in financial University performance. The application of information technology concepts, techniques, policies and implementation strategies to University emplacement has become a subject of fundamental importance and concerns to all organization which needed for local and global competitiveness. Information technology directly affects managers and their organizations in financial University performance.

Information Technology is the automation of processes, controls, and information production using hardware, software, database and network communication to ensure smooth and efficient running of activities. It is using real time and online system [15].

According to [16] studied the "Effect of information and communication technology on organization performance in banking sector". The study is aimed at examining the Effect of Information and Communication Technology on Organization Performance in Banking Industry. The result of the study indicates that the introduction of Information and Communication Technology in banking services has a positive effect in the development and growth of the organization. Also, to indicate that customers are their asset and the best possible way to satisfy them is to give them the best services. The survey revealed the information and communication technology leads to efficient and effective performance of banks and information and communication technology leads to competitive advantage over others and thus increases banks profitability.

According to study [17] studied "the impact of whatsapp mobile social learning on the achievement and attitudes of student compared with face learning in the classroom". The aimed of this study were to explore the impact of using WhatsApp mobile learning activities on the achievement and attitudes of online students using mobile devices at the university. This study compares students in an experimental group with a control group from a university class, the experimental group is based on WhatsApp mobile learning activities. The t-test was used to compare the differences between the experimental and control groups. The results of the study reveal that the experimentation shows that there are real differences, at 0.05 alpha level, in the achievements and attitudes of the experimental group compared with the control group.

According to [18] studied the Impact of Face book Usage on Undergraduate Students Performance in Irbid National University: Case Study, the result of their study shows the survey revealed that 77% of the students have an account on Face book. One of the main findings is that there was a significant relationship between gender and Face book usage and the study revealed that whenever the less time spent on Face book, the higher performance will be in grade point average. This was conducted by the negative correlation between time spent on Face book and the performance of undergraduate student. The study has seven hypotheses; two of them were rejecting against five acceptable hypotheses.

According to study of [19] studied the "The Impact of Information and Communication Technology on the Performance of Libyan Banks" the paper aims to demonstrate, through research, the possibility of the transformation of Libyan commercial banks from the traditional style of work to the modern style based on the idea of electronic banking, by recognizing the reality of the banks in Libya and the availability of the basic requirements for a shift towards modern banks. The result were , Information and Communication Technology can affect the performance and efficiency of commercial banks and the impact of banking reforms on the banking sector in Libya since 2005 also the results confirmed the level of using Information and Communication Technology is low in Libyan commercial banks; in addition an analysis revealed that poor state infrastructure, especially within the fields of telecommunications and electricity, causes unattractive performance within Libyan commercial banking operation and government intervention was the main reason behind the lack implementation of ICT.

According to study of [20] "The Impact of Information and Communication Technology on Banks' Performance and Customer Service Delivery in the Banking Industry" the aimed of this study was to consider a critical literature review of previous researchers with the objective to examine the impact of Information and Communication Technology on banks performance and customer service delivery. The result was makes of a critical review of peer reviewed, scholarly and organizational literature regarding the impact of Information and Communication Technology on banks' performance to examine if banks have successfully achieved effective customer's service delivery, by providing high level of customer service through online delivery channel, besides operating cost minimization and revenue maximization.

### VIII. METHODOLOGY

The study was used a descriptive survey design. The aimed of descriptive surveys is to collect detailed and factual information that describes an existing phenomenon [21]. The target

population of the study was University in the north of Jordan. A sample of three Universities was chosen. A total sampling technique was used to select 90 personnel who provide response to a structured questionnaire design to solicit their view about the role of Information Technology in financial University performance in north of Jordan.

The questionnaire was specifically designed and modify according to privies study to accomplish the objectives of the study. It's contained 12 questions that measure the role of Information Technology in financial University performance in north of Jordan, using a Likert scale of five points: Strongly Agree, Agree, Undecided, Disagree, and Strongly Disagree. The Ordinary Least Square method (OLS) was used in analysis which comprises various tests such as t-test, f-test, r2 and the adjusted r2.

### IX. TESTING HYPOTHESES

Hi: There is a significant statistical between using information technology and financial University performance at the north of Jordan from perspective of Users' satisfactions.

The findings showed that the majority of the respondents have perceived the implement and the value of Information technology in the financial University performance and there were a significant statistical between using information technology and financial University performance at the north of Jordan see table (1).

In table (1) there is a relationship between the dependent financial University performance and the independent variable Information Technology and a positive relationship between these variables and the (R2) explains the proportion of the total variations in the dependent variable that is attributable to the variations in the independent variable, but the significance of individual parameters used in the model reveal a significant estimator as all variables under consideration at 5% level of significant, The model is significant because the calculated F-ratio of 24.60 was greater than the table values of 3.92 at both 5% levels of significance.

**Table 1:** Presentation of Results

Dep.Variable	Coefficient	t-value	Sig	R	R2	R2 Adjusted	F Ratio	Sig
financial University performance								
Constant	19.63	7.60	0.00	0.69	0.32	0.21	24.60	0.00
Information Technology	5.17	1.61	0.00					

## X. CONCLUSION

Information technology is the heart of information system; however the information technology is Part of its ingredients, this part supply information system with data, information and knowledge from the component of information technology because they play a critical role in any organization and affects managers and their organizations financial University performance., however Information technology affects all level of management in the their work and lead to draws them to obtain efficiency, effectiveness and users satisfaction resulting in increase the financial University performance.

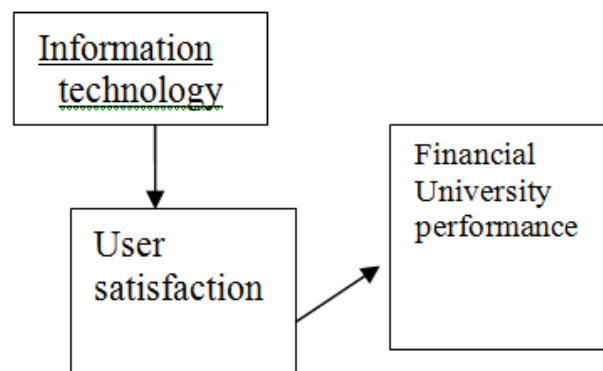
Information Technology is the automation of processes, controls, and information production using hardware, software, database and network communication to ensure smooth and efficient running of activities. It is using real time and online system [22].

In this study, the Information technology applications and the components of it are as (hardware, software, database, and network

communication) and financial University performances for employee in the north of Jordan are investigated according to perception of Users' satisfactions in these University. According to Correlations, Coefficients (a) and multiple linear regressions were used to associate with the research model analysis results, positive and relationships were found among the variable of studied. The results of the research reveal that the hypotheses were influence university performances and significant statistical and Acceptance.

Since it is anew technology for University face many challenges in using it in university because of several reasons such as lack of training on the accurate way to use these technologies in addition to the lack of clear information about benefits of using Information technology applications and home for University Recently there is a good movement toward enhancing University to make use of this vital and valuable technology.

Conceptual model of information technology (1)



## REFERENCE

- [1]. Eljelly, A., 2004. Liquidity-profitability trade off: An empirical investigation in emerging market. *Int. J.Comm. Manage.*, 14(2): 48-58.
- [2]. Panwala, M., 2009. Dimensions of liquidity management- A case study of the Surat Textile's Traders Cooperative Bank Ltd., *J. Account. Res.*, 2(1): 69-78.
- [3]. Charles Babbage "Introduction to Information Technology, U.S.A. 2001.
- [4]. Laudon, D.P. and Laudon, J.P: *Management Information Systems: Organization and Technology in the Network Enterprises*, 4th ed. Prentice Hall International in. U.S. New American Corporation, New York: Dutton 2001.
- [5]. Harold, B. & Jeff, L. : „Don't Let Technology Pass You By“, *ABA Banking Journal*, Box 986, Omaha, NE, 1995, p.73
- [6]. Ojo, J.A.T. () "Financial Sector Maladaptation, Resource Curse and Nigeria's Development Dilemma", Public Lecture, Covenant University, Ota, Ogun State, 2007 January 25.
- [7]. Fogg, P. 'the 24-7 professor—what to do when home is just another word for the office', *Chronicle of Higher Education*, vol. 54 (21), 2010. p12
- [8]. Akinuli, O.M. "Information Technology in Nigeria's Banking Industry: Operational Applications, Problems and Future Challenges", *CBN Bullion*, 23(3), 1999, p71-75.
- [9]. Ovia, J "Enhancing the Efficiency of the Payment System in Nigeria", *CBN Bullion*, Vol. 29 (1), 2005, p.8-18.
- [10]. Chu, C I, Hsu, H M, Price, J L. and Lee, J Y (2003). "Job satisfaction of hospital nurses: an empirical test of a causal model

- in Taiwan”, *International Nursing Review*, 50: 176-182.
- [11]. Mrayyan, M.T. (2005), “Nurse job satisfaction and retention: comparing public to private hospitals in Jordan”, *Journal of Nursing Management*, 13: 40-50.
- [12]. Price, J.L (2001), “Reflections on the Determinants of Voluntary Turnover”, *International Journal of Manpower*, 22 (7): 600-624.
- [13]. wikipedia(2015)[https://en.wikipedia.org/wiki/Computer\\_hardware](https://en.wikipedia.org/wiki/Computer_hardware).
- [14]. Akinuli, O.M. “Information Technology in Nigeria’s Banking Industry: Operational Applications, Problems and Future Challenges”, *CBN Bullion*, 23(3), 1999, 71-75.
- [15]. Adeoti, J.O “Information Technology Investment in Nigerian Manufacturing Industry: The Progress So Far”, *Selected Papers for the 2004 Annual Conference*, Ibadan: Nigerian Economic Society, 2005, p 213-244.
- [16]. ERUEMEGBE, GLORIA, O. Effect of Information and Communication Technology on Organization Performance in Banking Industry. *International Journal of Research in Engineering & Technology (IJRET)*: 3, (4), 2015 (P) Apr 2015, 13-22
- [17]. Aicha Blehch Amry.”the impact of whatsapp mobile social learning on the achievement and attitudes female students comparing with face to face learning in the classroom “*European Scientific Journal* 10(22) 2014 p1857- 7431.
- [18]. Altaany, and Jassim, Impact of Face book Usage on Undergraduate Students Performance in Irbid National University: Case Study, *International Journal of Engineering Research and Applications (IJERA)* 3(4), 2012, p 255-260.
- [19]. Khaled A. Saeed and Roberta Bampton, The Impact of Information and Communication Technology on the Performance of Libyan Banks” *Journal of the West East Institute(WEI) Business and Economics- 2* (3) December 2013 p21-26.
- [20]. Alhaji Abubakar Aliyu, and Rosmaini Bin HJ Tasmin (2012). Alhaji Abubakar Aliyu, and Rosmaini Bin HJ Tasmin (2012). The Impact of Information and Communication Technology on Banks”*International Journal of Latest Trends in Finance & Economic Sciences*, 2(1) March 2012 p 80-90.
- [21]. Ezeani, S.I. *Research methods: A realistic approach*. Ibadan: Elohim Publishers 1998.
- [22]. Adeoti, J.O () “Information Technology Investment in Nigerian Manufacturing Industry: The Progress So Far”, *Selected Papers for the 2004 Annual Conference*, Ibadan: Nigerian Economic Society, 2005 p213-244.