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Identifying the effective factors to applying the International Financial Reporting Standards from the Accountants' viewpoint in Iraq

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Abstract:

The study aims to determine the factors affecting to apply international financial reporting standards from the viewpoint of accounting specialists in Iraq, using the hierarchical method. The data is based on a sample that includes all accountants, auditors and financial managers in various industries such as tourism, oil and gas and agriculture, who are active in the Iraq Stock Exchange, and also includes Iraqi academics in accounting and auditing. The data is collected using tools including the interview and questionnaire during the period ending in 2020. The factors that affect the necessity of application were identified in the views of a sample of professionals, as well as showing a percentage or the lack of proportionality of these factors in a whole or partial viewpoint, and the primary effective indicators were extracted by referring to specialists to identify the main indicators through opening questionnaire analysis and classification using the Friedman method. Then the results of the hypothesis testing were checked using SPSS26 software and the one-sample statistical method, T-test results indicate that economic factors, political factors, social factors, human resources and information technology are the main factors that effect to apply IFRS. Moreover, the order of priorities in Friedman's method categorized the indicators as follows: economic, political, social factors,

and human resources, effective factors of information technology, and international factors in Iraq.

KeywordS. Effective factors- IFRS- Accountant's viewpoint

Introduction

The Harmonization of International Financial Reporting Standards (IFRS) has become an important issue at the international level. First, the financial statements are presented based on accounting standards that differ from one country to another, this is partly due to the economic environment, the political environment, and the accounting theories that exist in the countries, whereas the differences make it more difficult for users of financial statements who operate in different countries. Hence, to simplify the understanding of financial statements, the same financial standards are required. For this reason, international rapprochement was proposed with international standards for financial reports (IFRS). With the wide acceptance of IFRS, they have proven to be the most highly acclaimed and it is hoped that it will produce comparable accounting and financial reporting statements without guidance.

Based on studies in this field, companies using international standards generally have lower profit management, more timely identification of losses, and more accurate data presentation compared to the sample of peer companies. These firms generally see improvement in accounting quality between the pre-acceptance and post-acceptance periods. In other words, regulators believe that forced acceptance increases the comparability of financial statements and the transparency of information provided by companies along with improving the quality of financial reporting (eg Rules No. 2002/1606). But at the present time, the process of convergence of IFRS is in a different situation so much so that more than 140 countries have recently taken measures to accept IFRS reports or have decided to implement IFRS today, only a few have fully accepted and applied are. In addition, international financial reports criteria are prohibited, not required or partially acceptable in other countries, causing a dangerous about the future of rapprochement and expected economic consequences. Moreover, since accounting follows the environmental factors for countries, including political, social, legal, economic and cultural conditions. Hence, identifying the effective factors in shaping different patterns of acceptance of IFRS at the countries level, it will be the main objective of this study. In this

regard, previous studies of environmental factors searched for macroeconomics and microeconomics and concluded that factors including political, environmental, legal, educational and religious systems are the main criteria that influence the acceptance of IFRS by emerging countries (for example, Albu and Albu , 2012; Ball et al, 2003). The broad forced and voluntary acceptance of International Financial Reporting Standards (IFRS) in newly emerging economies is the result of many political, economic, financial and technological changes. The purpose of this research is to study the process of accepting International Financial Reporting Standards (IFRS) in the new Iraqi markets as a case study.

Problem of research

At the recent years, the acceptance of IFRS has increased significantly and still develop to improve the quality of accounting through a set of financial reporting standards at the level which improvement of the accounting quality and the general performance of the organizational system in each company, also legal and political systems of each province (Bhattacharjee, 2009). So far, several studies have been conducted on international standards, including (Archambault and Archambault (2009) and Shima and Yang (2012)) they have looked for environmental factors including economics, politics, dependence on external fundraising and the legal system regarding acceptance of financial reporting standards.

In (2018) Odo try to implement IFRS in Nigeria. Miao (2017) conducted a study on the advantages of accepting international standards through a case study along with a survey for 394 companies in China, and in (2015) Hussain et al looked for the advantages and disadvantages of implementing IFRS in Bangladesh. However, until this moment, there is no research has been conducted on factors that can be effected on application of international standards and encourage companies to accept them; Therefore, making the required studies on identifying and arranging effective factors is a necessary procedure for applying international financial reports standards.

Objectives of Research

This study aims to investigate the views of accounting and auditing specialists in Iraq related to the factors that affect on application of IFRS by accounting specialists. Moreover, accountants, auditors and academics are a sample. The current study helps to internationalize

accounting standards in Iraq by investigating the views of accountants in accounting and auditing, whereas, awareness of their beliefs and attitudes facilitate to accepting and applying the aforementioned standards related to factors that affect the application of international financial reports standards.

Importance of research

FRS is a high quality standard of the Iraqi local standards. To achieve this goal, it is required to understand Iraq's current economic and regulatory environments, especially the accounting and financial reporting environments, as well suggestions of research help the government of Iraq in evaluating the results of accepting IFRS and gradually highlighting these standards so that the comparability and consistency of information in the financial statements increases due to a consistent set of accounting standards (acceptance of IFRS). The research focuses on the factors related to obstructing the acceptance of international financial reporting standards in Iraq, which helps in studies that search for the acceptance of international financial reporting standards in recent economies.

Hypothesis of Research

The first hypothesis: Economic factors increase the tendency of audit specialists to use international standards.

The second hypothesis: Political factors increase the tendency of audit specialists to use international standards.

The third hypothesis: Social factors and human resources increase the tendency of audit specialists to use international standards.

The fourth hypothesis: Global and international factors increase audit specialists to use international standards.

The fifth hypothesis: Effective factors of technology and information increase the tendency of audit specialists to use international standards.

Theoretical Framework

With the increasing internationalization of economic trade and the globalization of companies and financial markets, financial information prepared on the basis of a national accounting system may not meet the needs of users whose decisions are international in this scope, and in some respects, only internal information may be a hindrance even for companies as well as investors. Accounting standards regulators have sought who are aware of this fact and also the need to adapt accounting to the new global environment, to find a solution to solve problems, Solutions that allow the improvement and development of financial accounting and its main outputs.

The goal of this initiative is to have a coherent set of accounting standards and practices that provide national and international decision makers with relatively homogeneous, comparable and reliable information. To achieve this goal, the International Accounting Standards Board (IASB) has prepared and published International Accounting Standards (IAS) which has become a comprehensive reference for everyone around the world over the past fifteen years, Most of the discussions have focused on the development of international accounting standards and more recently on the acceptance of these standards by major industrial countries including the United States, Canada and the member states of the European Union while less attention has been paid to the opportunities of developing countries to accept these standards. Despite the basic need to raise funds from abroad, individual investors, institutions and creditors in these countries, it is still difficult to trust the financial and accounting information of developing countries still not all developing countries follow international accounting standards and international financial reporting standards.

However, some developing countries including Iraq, have devised changes in order to accept and operate these standards in their countries. This process is expected to improve the quality and reliability of accounting information and enhance the flow of capital and investment, leading to economic development. In fact, the globalization of capital markets is an irreversible process and has potential advantages including lowering the cost of business by reducing the need for complementary information, increasing the power of valuation, and ease of analysis of

information by users of financial statements (Madawaki, 2012). In this regard, IFRS includes a set of principles issued to create a consistent system of financial reporting around the world (Bozkurtaet al, 2013; Mantzari and Georgiou, 2019), and the decision to accept IFRS is mostly an economic decision at the national level, then increasing the transparency, quality, comparability and desirable features, and thus greater reliance on foreign investors and creditors are motives for acceptance and application of international standards (Hassan et al., 2014).

In fact, it is believed that a set of ordinary methods provide similar rules for all companies around the world; Therefore, IFRS increases the confidence of users of financial information along with reducing the potential for uncertainty and cost of capital and improving resource allocation, also, the move towards globalization and its political importance pushes more countries to accept these criteria, also, the move towards globalization and its political importance pushes more countries to accept these criteria; thus, it can be imagined an optimistic future for convergence and harmonization of IFRS (Choi et al, 2002) that the ratification of IFRS would produce many consequences for countries, like complexity that takes a long time to convert national accounting standards to international financial reporting standards. Moreover, cultural and political influences can obstruct the transformation process. In addition to all the research that dealt with various aspects of the International Financial Reporting Standards, the current research identifies and classifies the factors that affect to apply accounting professionals based on International Financial Reporting Standards in Iraq. As we mentioned before, international accounting was formed for the purpose of harmonization, facility of understanding and comparison. Hence, many factors cause fundamental differences in methods and standards from one country to another. In fact, the type of economy greatly influences on systems and accounting systems, since the role of accounting is different with respect to the economic system (market and planned economics) and whenever economic growth increased, the need for the accounting profession has increased. Therefore, the invention of new accounting methods vital to meeting the new needs of decision makers, In fact, economic factors influence including financial resources, trade volume and inflation rate on the acceptance of international accounting standards in countries. Another factor, potentially affecting on acceptance of these standards by countries which are the statements of salaries, and these standards include a set of accounting rules to control the work exists in two forms. In

every country, these rules are designed commensurate with the conditions and environment of the country; in this regard the acceptance of international standards has faced challenges, in addition the political system Including a socialist, democratic or totalitarian system can effects on the development of international accounting standards procedures; specially, companies in socialist countries need to provide information related to social impact; in addition to profitability and financial information. Therefore, political factors can help companies and business units in accepting international standards. In addition to what was mentioned the culture of each country active factor to accept corporate the international standards. Culture is the shared values and methods in the community and its reflection is important to build relationships with other countries, culture arises from different beliefs and traditions besides civil and social laws; Therefore, this results in the creation of different accounting systems in different countries, for this reason users of financial information will encounter challenges understanding and comparing this information. Hence, the presence of cultural factors can effects on acceptance of international financial reporting standards in developing countries like Iraq too.

In view of the above, for a empirical evaluation of the factors that influence on the direction of professionals about application of international financial reporting standards in Iraq, with taking into consideration facts that still financial data do not submit using International Financial Reporting Standards and that the country has recently joined to the countries that accepted these criteria, moreover, in this field and not made any specific search only few studies about identifying and ordering factors that affect the application international Financial Reporting Standards in the perspectives of accounting professionals. Therefore, this research seeks to investigate and solve this problem. In this regard, three main questions are asked as follows:

1- What are the factors affecting to apply international financial reporting standards for Iraqi economic units?

2- What is the model for the necessity of applying international financial reporting standards for Iraqi economic units?

3- Can the limiting factors be evaluated from a hierarchical point of view and arranged by the Friedman method?

Background

Blackoy believes that the resulting economic results about the development of standards lead to political events and that the relationship between economic and political events can effect on implementation of standards, this problem was also noted in Scott's (2007) research on the effectiveness of people and the influence of different pressure groups on future policies related to the process of developing accounting standards, the generally accepted opinion that the accounting numbers that effect economic behavior, it often affects economic and political outcomes to apply standards.

Chima Yang's search results showed using a sample of 21 countries, political, social and economic ties, and rely on financing through external sources of debt and rate of economic growth, gross capital formation, legal system, education and avoidance. A positive and important relationship with the acceptance of international accounting standards. As the results show that taxes, inflation and finance through the shares have a negative and significant relationship adopting international accounting standards. Further, Tran et al (2019) investigated in the effective factors in accepting international financial reporting standards in the listed Vietnamese companies, and they pointed out that acceptance of international standards improves the quality of financial data information, collects money, and increases business application opportunities, the competition is increasing, also It causes international integration into the world market, improves business performance, and enhances management, and it improves the quality of human resources. The results of auditing and financial accounting refers to some financial ratios like return on equity (ROE) effects the acceptance of international standards to prepare financial reports in listed Vietnamese companies.

Add to that, Hussain Muhammad et al (2020) show in their researches the effects of accepting international financial reporting standards (IFRS) on the quality of accounting in Iraqi private banks (IPB).The research has based on a sample of Iraqi banks during the years 2012 to 2018.The results indicate that after certification on international standards to prepare financial reports in banks, there is a relationship between OCF and NI. In addition to, the variables including legal and political systems effect on the quality of accounting in Iraq. Al-Maqtari et

al. (2021) investigated impact of corporate governance mechanisms on IFRS compliance and financial reporting quality, in an article entitled "The Impact of Corporate Governance Mechanisms on the Acceptance of International Financial Reporting Standards: A Comparative Research for the Kingdom of Saudi Arabia, the Sultanate of Oman and the United Arab Emirates". This research was conducted during the years 2015 to 2018 using 98 companies in the Kingdom of Saudi Arabia, the Sultanate of Oman and the United Arab Emirates as samples.

This research used descriptive statistics, correlation and regression analysis to check the results, and the results indicate that audit committee features have a greater impact on IFRS compliance and financial reporting quality than other corporate governance mechanisms. Furthermore, the results show there is no evidence to support that the collective affect corporate governance mechanisms which may change to be more effective from GAAP to International Financial Reporting Standards. Also in a similar study, Karar Salem and other investigated impact of international financial reporting standards on the financial performance of Iraqi business banks, and in an article entitled: "Financial Performance Report, application of International Financial Reporting Standards, and Accounting Information: Evidence of Banking Sectors in Iraq", by using the above sample of Iraqi companies listed over a period of three years prior to (2011-2013) and three years later (2016-2018), ratification of international financial reporting standards shows that accepting and applying International Standards have a positive and strong relationship with BVS. So, this change in Standards and Replacing National Standards with IFRS, it doesn't have much effect on the relationship of the value of EPS reported by Iraqi banks.

The results of this research indicate that the banking market value increases dramatically with increasing financial performance reporting. Also, the application of International Financial Reporting Standards (IFRS), it has a significant impact on financial performance procedures and financial reporting relationships in the Iraqi banking sector. In this regard, Rasta Klish and other pointed out the global tendency to accept International Financial Reporting Standards (IFRS) has increased rapidly. Meanwhile, the Middle East and North Africa (MENA) region has reacted differently towards accepting international standards.

The objective is to investigate the impact of accepting/rejecting IFRS on the quality of financial reporting for companies located in the MENA region, investigating the quality of

accounting using five models, Their study sample included 9 countries over a 10-year period (2006-2015) which led to record 3,040 notes for the fiscal year in the main stage, and record 2,580 notes for the fiscal year in additional analysis.

The results show that the total sample of IFRS acceptors in the Middle East and North Africa region has benefited from the acceptance of IFRS, where the results show that the acceptance of international standards reduces earnings management. Moreover, small sample analysis indicates that companies that accepted IFRS in each of the economic rental countries (oil dependent countries) and countries with non-economic rent have a higher quality of financial reporting than users of local standards.

Also, Cipriano and other (2021) reached in their research entitled: "The relationship between book value and market value of assets measured using International Financial Reporting Standards and GAAP New York Stock Exchange, it's not there difference in the relationship between book value and market value on the basis of International Financial Reporting Standards (IFRS) and Generally Accepted Accounting Principles (GAAP) of the United States. However, income has a higher value when measured using IFRS the book value has a proportionately more value when measured under US Generally Accepted Accounting Principles. Therefore, non-economic factors such as political and social factors can influence on the application of international financial reporting standards as an alternative to generally accepted accounting principles in US companies. Active people and advocacy groups influence future policies related to the process of notating accounting standards. Besides this, the viewpoint of accounting figures that affect economic behavior are regularly accepted, which causes a situation that results to identifying accounting standards in the policy, and the economic consequences of notation of standards lead to political issues in the process of standards notation.

The beginning of this topic awareness of the public interest and theories of group interests. Andrade collected data through a questionnaire that was answered by 250 accountants from 36 countries that currently use IFRS as accounting standards. The results showed that the understandable limitations of the system, the professional support of information technology, and the self-efficacy of the accountant significantly delay the acceptance of international

standards. Given what has been mentioned, to assess the factors that influence on the direction of professionals about Application of International Financial Reporting Standards.

Research Design

The research has been applied in terms of purpose and descriptive survey with regard to data collection. Furthermore, the method of collecting the essential data in this research, it is a combination of field and literary research. The literary method consist of axes the study, literature and research background, it also appropriate preparation for the subject and in the field method, the required data collected to test hypotheses by questionnaire and interview. Opinions have collected subjectively and virtually. The study area is Iraq and its duration is from 2021 to 2022. The first step: extracting the primary factors from the theoretical basis (studying foreign resources), in the first step: extracting the primary components from the theoretical foundations (studying external sources), in the first step, all available sources have been studied like articles, books, and similar dissertations, in order to be able to identify components and indicators to be necessity for apply them, and application of international financial reporting standards of economic units and have been identified in Iraq.

Second Step: identifying effective indicators in the proposed model.10 were selected from the research sample including 6 professors of accounting and financial management in Iraq, and two officials of audit institutions, and two stock market managers in industries selected as experts for indices evaluation. Then, the list of components and preliminary indicators obtained from the theoretical literature is conducted during personal interviews with experts, and after analyzing the effective components and indicators in the proposed model for the necessity of implementing and using international financial reporting standards for Iraqi economic units, it was extracted based on expert opinion.

Third Step: Assembling and Defining Model Components: The research uses the interview in order to identify the components of the model that were prepared in the previous stage for the professional experts. A questionnaire was developed and evaluated for its validity and reliability in the statistical community in the section and will be explained afterwards. Data has been collected. Exploratory factor analysis has been used to analyze data and aggregate it.

Define the components of the model. At this stage, it was presented a conceptual model for research.

Forth Step: Execution of the form. The final questionnaire has been prepared to implement the final model in the required statistical population which is done as follows. The consistency of the evaluation results with expert opinion will confirm the correctness of the final model.

Through using the tools such as interviews and in a qualitative manner, the effective factors have been collected to implementing and applying of international financial reporting standards for Iraqi economic units and the factors that influence the necessity of implementation. In their view, consideration has also been given to the appropriateness or unsuitability of these factors from both a total or partial perspective by referring back to the experts for identify important indicators from the analysis of the open questionnaire and the order of the most important the effectiveness of indicators from the Friedman method.

Questionnaire Final Evaluation

Tests Results

Descriptive Statistics

The subject of descriptive statistics is setting and classification of data, graphical representation, and calculation of quantities including mode, mean, median, etc. that indicate the characteristics of each sample of the population. In descriptive statistics, the data resulting from a group defines the same group. In this research, the individual characteristics of the respondents include sex, age, occupation, education, and work experience. In the following part, Frequency and frequency percentage are mentioned in levels of each variable.

Table 1-1 Description of respondents based on demographic variables

Frequency Percentage	Frequency	Variable Name	
18.7	50	Female	Sex
81.3	218	Male	

19.3	52	Under 30	Age
43.7	118	30 to 40 years old	
32.6	88	40 to 50 years old	
3.7	10	50 to 60 years old	
0.7	2	Over 60	
35.5	72	CEO	Occupation
29.7	70	Supreme of Audit	
32.2	76	Supreme of Correction	
7.6	18	Financial Manager	
1.5	4	Diploma	Education
72.4	194	Master's Degree	
26.1	70	PhD	
31.6	84	Less than 10 years	Work Experience
29.3	78	10 to 15 years	

| 27.8 | 74 | 15 to 20 years | |
| 11.3 | 30 | 20 to 25 years | |

In the following parts, descriptive statistics concerning indicators of the research including the number of respondents, minimum, maximum, mean, and standard deviation are reported.

Table 2-1 Description of respondents based questionnaire indicators

Standard Deviation	Mean	Maximum	Minimum	Number	Variable Name
0.412	3.957	5	2.615	270	Economic Factors
0.515	3.896	5	2.083	270	Political Factors
0.508	3.848	5	2. 500	270	Human resources and Social Factors
0.563	3.719	5	1.667	270	Effective Global and International Factors
0.712	3.671	5	1.600	270	Effective factors of Information Technology

Comparing Mean of Research variables with Mean Value

Table 3-1 One Sample t-Test Results

Significance	Degree of	t-	Mean	Variable

	Freedom	**Statistic**		
0.000***	269	38.199	3.957	Economic Factors
0.000***	269	28.615	3.896	Political Factors
0.000***	269	27.454	3.848	Human Resources and Social Factors
0.000***	269	20.965	3.719	Effective Global and International Factors
0.000***	269	15.475	3.671	Effective Factors of Technology and Information

*Significant at the 0.1 Level.   **Significant at the 0.05.   ***Significant at the 0.01.

Based on the inserted information in Table 3, the resulted significance for effective factors in application of international financial reporting standards is less than 0.05 which indicates the mean of these indicators has a significant difference with number 3 and in response to these questions, most of the respondents have chosen a lot of items with codes 4 and 5. Hence, generally it can be concluded that economic, political, social, and human resources factors, effective global and international factors, and effective factors of technology and information are some of the effective factors in application of international financial reporting standards.

Friedman Ranking Test:

In this research, the Friedman test is used to rank the questionnaire indicators. The selected sample comprises 270 people. After performing the Friedman test, if its significance is approved (significance of the test is less than 0.05) the mean of factors rankings can be compared with each other and determine factors with highest and lowest rank. In the Friedman test, null hypothesis indicates that mean of rankings within groups are identical. Rejection of

this hypothesis means at least two groups among all have significant differences with each other.

Table 4-1 Friedman Ranking Test Results

Significance	Degree of Freedom	Chi-Square Statistic	Ranking	Mean of Rankings	Variable
000***/0	4	69.433	1	3.504	Economic Factors
			2	3.233	Political Factors
			3	3.043	Human Resources and Social Factors
			4	2.657	Effective Factors of Technology and Information
			5	2.653	Effective Global and International Factors

In the ranking performed for effective factors in application of international financial reporting standards. Chi-Square statistic of Friedman test equals 69/443 and its resulted corresponding significance is less than 0.05 (0.000). Therefore, the effective factors in application of international financial reporting factors can be ranked from maximum to minimum. Economic factors with ranking mean of 3.504, political factors with ranking mean of 3.233, human resources and social factors with ranking mean of 3.043, effective factors of technology and information with ranking mean of 2.657, and effective global and international factors with ranking mean of 2.563 are some of the factors affecting the application of international financial reporting standards.

Comparison of Research Variables Means in Demographic Variables Levels

In the present research, independent samples t-test is used to compare the effective factors in application of international financial reporting standards based on sex. Using this sample is relevant when we are intending to compare the means of two independent datasets. The hypothesis of this test is paired samples like t-test, with the difference that the subjects of the two samples are different. In other words, we are willing to know whether the means of two independent samples have significant difference.

Moreover, to compare the effective factors in application of international financial reporting standards based on age, occupation, education, and work experience, ANOVA is used

Table 5-1 Comparison of means of effective factors in application of international financial reporting standards based on sex

Significance	T-Statistic	Standard Deviation	Mean	Number	Sex	Variable Name
0.166	1.397-	0.323	3.893	50	Female	Economic Factors
		0.429	3.968	218	Male	
0.028***	2.208-	0.476	3.755	50	Female	Political Factors
		0.519	3.932	218	Male	
0.049**	1.978-	0.488	3.720	50	Female	Human Resources and Social Factors

		0.511	3.877	218	Male	
0.009***	2.625-	0.523	3.529	50	Female	Effective Global and International Factors
		0.566	3.759	218	Male	
0.008***	2.683-	0.794	3.432	50	Female	Effective Factors of Technology and Information
		0.685	3.729	218	Male	

Based on the inserted information in Table 5, the resulted T- test significance for political factors, human resources and social factors, effective global and international factors, and effective factors of technology and information are less than 0.05; hence, considering the sex of individuals, the mean of these variables has a significant difference.

Table 6-1 Comparison of means of effective factors in application of international financial reporting standards based on age

Significance	F-Statistics	Standard Deviation	Mean	Number	Age	Variable Name
0.064	2.253	0.435	4.097	52	Under 30	Economic Factors
		0.358	3.393	118	30 to 40	
		0.466	3.893	88	40 to 50	
		0.244	3.969	10	50 to	

				60	
		0	4.154	2	Over 60
0.209	1.478	0.644	3.860	52	Under 30	Political Factors
		0.415	3.961	118	30 to 40	
		0.555	3.810	88	40 to 50	
		0.418	4.033	10	50 to 60	
		0	4.167	2	Over 60	
0.045**	2.47	0.589	3.833	52	Under 30	Human Resources and Social Factors
		0.427	3.819	118	30 to 40	
		0.559	3.842	88	40 to 50	
		0.268	4.170	19	50 to 60	
		0	4.667	2	Over 60	
0.930	0.214	0.641	3.724	52	Under	Effective

					30	Global and International Factors
		0.566	3.732	118	30 to 40	
		0.549	3.685	88	40 to 50	
		0.208	3.839	10	50 to 60	
		0	3.652	2	Over 60	
0.199	1.856	0.845	3.675	52	Under 30	Effective Factors of Technology and Information
		0.630	3.750	118	30 to 40	
		0.732	3.527	88	40 to 50	
		0.608	3.860	10	50 to 60	
		0	4.300	2	Over 60	

Based on the inserted information in Table 6, the resulted ANOVA test significance for human resources and social factors is less than 0.05; hence, considering the age of individuals, the mean of these variables has a significant difference.

Table 7-1 Comparison of means of effective factors in application of international financial reporting standards based on occupation

Significance	F-Statistic	Standard Deviation	Mean	Number	Occupation	Variable Name
0.915	0.172	0.434	3.961	72	CEO	Economic Factors
		0.473	3.958	70	Supreme of Audit	
		0. 352	3.967	76	Supreme of Correction	
		0.362	4.043	18	Financial Manager	
0.533	0.733	0.509	3.392	72	CEO	Political Factors
		0.492	3.912	70	Supreme of Audit	
		0.592	3.809	76	Supreme of Correction	
		0.445	3.926	18	Financial Manager	
0.230	1.447	0.468	3.774	72	CEO	Human Resources and Social Factors
		0.521	3.927	70	Supreme of Audit	
		0.561	3.791	76	Supreme of Correction	
		0.517	3.931	18	Financial Manager	
0.581	0.665	0.590	3.655	72	CEO	Effective

		0.552	3.772	70	Supreme of Audit	Global and International Factors
		0.564	3.782	76	Supreme of Correction	
		0.269	3.705	18	Financial Manager	
0.777	0.367	0.772	3.564	72	CEO	Effective Factors of Technology and Information
		0.704	3.670	70	Supreme of Audit	
		0.670	3.669	76	Supreme of Correction	
		0.586	3.611	18	CEO	

Based on the inserted information in Table 7, the resulted ANOVA test significance for effective factors in application of international financial reporting standards is greater than 0.05; hence, considering the occupation of individuals, the mean of these variables has no significant difference.

Table 8-1 Comparison of means of effective factors in application of international financial reporting standards based on Education

Significance	F-Statistic	Standard Deviation	Mean	Number	Education	Variable Name
0.849	0.163	0.322	4.029	4	Diploma	Economic Factors
		0.413	3.964	194	Master's Degree	
		0.422	3.937	70	PhD	

0.064	2.776	0.962	3.417	4	Diploma	Political Factors
		0.531	3.877	194	Master's Degree	
		0.426	3.978	70	PhD	
0.010***	4.715	0.962	3.333	4	Diploma	Human Resources and Social Factors
		0.501	3.813	194	Master's Degree	
		0.478	3.972	70	PhD	
0.005***	5.312	0.853	3.304	4	Diploma	Effective Global and International Factors
		0.575	3.644	194	Master's Degree	
		0.480	3.889	70	PhD	
0001***	7.580	1.392	3.500	4	Diploma	Effective Factors of Technology and Information
		0.728	3.571	194	Master's Degree	
		0.583	3.947	70	PhD	

Based on the inserted information in Table 8, the resulted ANOVA test significance for human resources and social factors, effective global and international factors, and effective factors of technology and information, is less than 0.05; hence, considering the education of individuals, the mean of these variables has a significant difference.

Table 9-1 Comparison of means of effective factors in application of international financial reporting standards based on Work Experience

Significance	F-Statistics	Standard Deviation	Mean	Number	Work Experience	Variable Name
338/0	1.228	0.433	3.990	84	Less than 10 Years	Economic Factors
		0.348	3.998	78	10 to 15 Years	
		0.451	3.925	74	15 to 20 Years	
		0.395	3.825	30	20 to 25 Years	
133/0	1.885	0.597	3.803	84	Less than 10 Years	Political Factors
		0.528	3.978	78	10 to 15 Years	
		0.426	3.942	74	15 to 20 Years	
		0.434	3.838	30	20 to 25 Years	
648/0	0.551	0.606	3.788	84	Less than 10 Years	Human Resources and Social Factors
		0.433	3.870	78	10 to 15 Years	
		0.419	3.883	74	15 to 20 Years	

		0.601	3.845	30	20 to 25 Years	
058/0	2.253	0.728	3.614	84	Less than 10 Years	Effective Global and International Factors
		0.430	3.837	78	10 to 15 Years	
		0.457	3.746	74	15 to 20 Years	
		0.566	3.616	30	20 to 25 Years	
076/0	2.314	0.834	3.594	84	Less than 10 Years	Effective Factors of Technology and Information
		0.608	3.866	78	10 to 15 Years	
		0.589	3.601	74	15 to 20 Years	
		0.857	3.457	30	20 to 25 Years	

Based on the inserted information in Table 9, the resulted ANOVA test significance for effective factors in application of international financial reporting standards is greater than 0.05; hence, considering the work experience of individuals, the mean of these variables has no significant difference.

Conclusions

The purpose of this research is to search for the factors affecting the application of international financial reporting standards in Iraqi business units. The results indicate that economic factors, political factors, human resources, social factors, technology and information constitute the effective factors in the application of international financial reporting standards.

For the full acceptance and application of IFRS, it is required to investigate the factors affecting IFRS. Thus, five factors affecting IFRS of high importance are mentioned in the following order: Economic, political, human resources and social factors, effective global and international factors, effective factors of information and technology. These results concluded from the test: the first hypothesis indicates that economic factors increase the orientation towards the use of these criteria, where economic factors increase the efficiency of the capital market, expand economic relations with other countries, improve the accuracy and speed of accountancy professionals in the performance of duties, and it goes average first hypothesis test with final results with Nasrawy and Thabet (2020) and Chew and Taylor (2008). In fact, they also concluded that each country's environmental, economic and social factors can influence acceptance of international standards. The results extracted from the second hypothesis test indicate that political factors increase the tendency towards the use of these criteria, where it is causing the emergence of political factors to raise the level of knowledge and exchange of information, and lead to a greater presence for Iraq in international meetings by expanding the scope of more transparent information, accounting specialists perform their duties more accurately and quickly, and second hypothesis test average corresponds with final results with Scott (2004) and Belkoui (2004). In fact, they also concluded that the political factors of each country can influence the acceptance of international standards.

The results extracted from the third hypothesis test indicate that human resources and social factors increase the trend towards using these standards in terms of human resources and social factors? Raising the level of knowledge, sharing information and results in a greater presence for Iraq in international meetings by expanding the scope of more transparent information, accounting professionals perform their duties with more fast and accurate. The third hypothesis test corresponds with the final results with Nasraoui and Thabet (2020) and Chew and Taylor (2008). In fact, they also concluded that each country's environmental, economic and social factors can influence acceptance of international standards. The results obtained from the fourth

hypothesis test indicate that global and international factors increase the trend towards using these standards, where global and international factors promote international comparability of information and improve decision-making. In addition, accounting professionals perform their duties with more fast and accurate, where the fourth hypothesis test corresponds with the final results with Nasrawy and Thabet (2020) and Chew and Taylor (2008). In fact, they also concluded that each country's environmental, economic and social factors can influence acceptance of international standards.

The extracted results indicate from testing the fifth hypothesis to the factors of technology and information speeds up planning and defining corporate strategies and increases coordination potential, in addition to , accounting professionals perform their duties with more fast and accurate. The fifth hypothesis test corresponds with the final results was in agreement with the results of Andrade (2021). In fact, he also concluded that technology and information factors in each country can affect the acceptance of international standards

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