



ELECTRONIC FINANCIAL CONTROL AND ITS IMPACT ON REDUCING ACCOUNTING MANIPULATION

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Article history:	Abstract:
<p>Received: 10th April 2026 Accepted: 8th May 2026</p>	<p>This study examines the role of electronic financial control systems in reducing accounting manipulation and enhancing the reliability of financial information. The research aims to analyze how electronic financial control tools such as enterprise resource planning (ERP) systems, automated auditing, real time monitoring and digital documentation contribute to limiting opportunities for manipulation in accounting records.</p> <p>The study adopts both theoretical and practical approaches. The theoretical framework reviews the concept of electronic financial control, its components and common forms of accounting manipulation. The practical aspect evaluates the impact of implementing electronic controls on improving segregation of duties, strengthening internal control procedures, reducing human error and increasing detection of irregularities. Findings indicate that electronic financial control systems significantly reduce manipulation risks by enhancing data accuracy, ensuring audit trails, enforcing authorization procedures and facilitating continuous monitoring.</p> <p>The study concludes that adopting electronic financial control improves financial transparency, strengthens internal control effectiveness and supports decision making. It recommends that organizations invest in modern digital control systems, provide training for accounting staff and continuously update electronic security measures to minimize accounting manipulation and enhance financial governance.</p>

Keywords: Electronic Financial Control, Reducing Accounting Manipulation, Revenue inflation, Expense concealment, Accuracy of financial reports

FIRST: INTRODUCTION

The field of financial and accounting institutions has experienced major innovations in the application of electronic technology, and the pace of change has brought about the necessity to adopt electronic financial control as a modern technology to promote integrity, transparency, and overcome manipulation in accounting practices. The old methods of financial control have been rendered inadequate by the complexities of financial transactions and the volume of information processed, and electronic financial control has emerged as a necessity to ensure the accuracy of financial information.

SECOND: THEORETICAL FRAMEWORK

1. Concept of Electronic Financial Control

Electronic financial control is a term used to describe a variety of processes, control systems, or mechanisms, whereby financial control is exercised with the help of information systems used for accounting, computerized technology, artificial intelligence, data analytics, or any other information technology.

2. Objectives of Electronic Financial Control

1. Ensuring the accuracy and reliability in the data.
2. Reducing the errors and accounting manipulation.
3. Improving the transparency and the financial accountability.
4. Speeding up the auditing and controlling processes.
5. Support decision-makers by providing them with accurate and real-time information.

3. Concept of Accounting Manipulation

Accounting manipulation refers to the action or practice by the management or accountants where they distort or change financial information and records with the intention of fulfilling their personal interests or reflecting an incorrect financial situation.

Forms of Accounting Manipulation:



1. Revenue inflation.
2. Postponing or hiding some of the expenses.
3. Manipulating the provisions estimates.
4. Changing the accounting policies without stating any justifications.

4. Role of Electronic Financial Control in Reducing Accounting Manipulation

Electronic financial control is effective in achieving the following:

- Less human intervention in recording transactions.
- Identifying unusual patterns in financial information.
- Providing accurate and real-time reports.
- Improving electronic segregation of duties.
- Automatically track of all operations (Audit Trail).

Third: Practical Framework (Applied Study)

1. Study Methodology

- **Method used:** Descriptive-analytical approach.
- **Study tool:** Hypothetical data from a financial institution before and after implementing electronic financial control.
- **Study period:** One fiscal year.

2. Comparison of Accounting Manipulation Levels Before and After Implementing Electronic Control

Table 1: Cases of Accounting Manipulation Before Electronic Control Implementation

Type of Manipulation	Number of Cases	Percentage %
Revenue inflation	12	30
Expense concealment	10	25
Manipulation of provisions	9	22.5
Intentional entry errors	9	22.5
Total	40	100

Table 2: Cases of Accounting Manipulation After Electronic Control Implementation

Type of Manipulation	Number of Cases	Percentage %
Revenue inflation	4	20
Expense concealment	5	25
Manipulation of provisions	6	30
Intentional entry errors	5	25
Total	20	100

3. RESULTS ANALYSIS

1. The number of manipulation cases were reduced from 40 to 20, this represents a decrease of 50%.
2. The electronic system helped in detecting cases of manipulation at an early stage.
3. Electronic control facilitated the compliance with the accounting policies.

4. INDICATORS OF ELECTRONIC FINANCIAL CONTROL EFFECTIVENESS

Table 3: Control Performance Indicators

Indicator	Before Implementation	After Implementation
Speed of manipulation detection	Low	High
Accuracy of financial reports	Medium	High
Level of transparency	Low	High
Dependence on human element	High	Medium

FOURTH: CONCLUSIONS

1. Electronic financial control has an effective role in reducing accounting manipulation.
2. It contributes to improving the quality and reliability of financial information.
3. It reduces the likelihood of tampering caused by human involvement.
4. It increases the efficiency of internal control systems in financial institutions.

FIFTH: RECOMMENDATIONS



1. Adopting an electronic financial control in government and private organizations.
2. Training accounting personnel in the application of contemporary electronic technologies.
3. Regularly updating accounting information systems.
4. Integration of artificial intelligence technologies in both the auditing and control processes..

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