

The Impact of Using eXtensible Business Reporting Language (XBRL) on the Benefits of Accounting Information: The Case of Amman Stock Exchange

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Abstract

This research aims to examine the impact of using the eXtensible Business Reporting Language (XBRL) on the benefits of accounting information for Jordanian industrial and service public shareholding companies listed on the Amman Stock Exchange (ASE). The benefits of accounting information are measured by employing two proxies which are the value relevance of accounting information and earnings management. The study sample consists of (29) industrial companies and (31) service companies by analyzing their quarterly financial data for the period (2020-2021). The study concludes that using XBRL has a superior statistically significant positive relationship with the value relevance of accounting information of Jordanian industrial and service companies listed on ASE. Moreover, earnings management, measured by discretionary accruals, significantly decreases in these companies from the pre- to the post-XBRL period. Therefore, the researcher recommends increasing the awareness of Jordanian corporate managers and other users of the benefits of financial reports prepared by using XBRL, and providing all requirements that support its use and achieve its desired goals.

Keywords: Accounting Information Benefits, ASE, XBRL.

