



EVALUATION OF COST APPROACH FROM THE VIEWPOINT OF EMPLOYEES OF THE GENERAL COMPANY FOR LEATHER INDUSTRIES

Thar Saadoon Shnaishel

University Of Summer
Tas74063@gmail.com

Qassim Mahal Herez

University Of Summer
mahalkasem11@gmail.com

Ahmed Mohammed Hamzah

University Of Summer
Ahmedaljpor1977@gmail.com

Article history:	Abstract:
<p>Received: 1st May 2022 Accepted: 1st June 2022 Published: 6th July 2022</p>	<p>The aim of the research is to evaluate the cost approaches (Target costing, Activity Based Costing, Attributes Based Costing) (Target costing, Activity Based Costing, Attributes Based Costing), by revealing the strengths and weaknesses from the viewpoint of the employees of the General Company for Leather Industries and the researcher has prepared a questionnaire consisting of (22) paragraphs that represent the common characteristics and features among the cost approaches including (cost reduction, pricing quality, competitive advantage, product quality, and raising efficiency) within a list that includes the three entries and their validity and consistency were achieved, and were applied to an intentional sample of (50) of the company's workers and the results are :</p> <ol style="list-style-type: none">1. The Target costing approach gets first place with (15) high strength points and (7) medium strength.2. The Activity Based Costing approach gets the second place, with (15) high strength points and (7) medium strength.3. The Attributes Based Costing approach is ranked third, with (13) high strength points and (9) medium strength points. There are no weaknesses for all stages.4. The differences were significant according to the sex variable with respect to the cost approach (ABC), and were not significant for the other two variables (scientific qualification, and service in years).5. The relationships between the cost approaches were significant and ranged between (0,479 - 0,657). The TC explained the percentage of variation in (ABC) and (ABCII). <p>The researcher has concluded with recommendations and suggestions , most importantly to open rehabilitation studies for the workers in the company and working on the integration of three approaches.</p>

Keywords: evaluation, costs accountancy, cost approach T.C, ABC, ABCII

THE FIRST TOPIC INTRODUCTION:

The economic strength of any country depends on the level of industrial, agricultural and human development as well as the high level of education. Among the most prominent characteristics of economic power is its ability to face economic competition, which is based on approved cost approaches as well as ensuring total quality and the effectiveness of sound decision-making, especially Pricing and the competitions in the cost accounting literature by presenting and

interpreting the cost entries between traditional and modern ones, called quality cost (Crosby, 2013).

RESEARCH PROBLEM:

The success of any industrial company or commercial, investment and other banks is based on its ability to produce distinct products and costs less or the quality of current reports, and this requires the availability of a reference framework in which cost approaches and their management interdependence, which requires a



decision which is based on the Evaluational Program reveals the detailed cost approaches .

Thus, the researcher felt the lack of studies

The research aims to conduct an organized scientific evaluation process for cost approaches in the light of expert viewpoints in cost accounting to determine the effective approach and in which there are characteristics or advantages that facilitate the application process in industrial establishments or others.

RESEARCH IMPORTANCE :

If we talk about Competitive Advantage, then the effective cost approach may be related to it. This is what the study of (Al-Ghazali and Hamdan: 2018) found that there is a significant correlation between environmental costs and competitive advantage, as well as it contributes to improving the quality of accounting information (Al-Ghazali, Hamdan, 2019: 67).

Research aims:

1. Exposing the strengths and weaknesses of the cost approaches (ABC, ABCII, T.C) from the viewpoint of the employees in the General Company for Leather Industries.

2. Detecting the strength and direction of the relationship between the cost approaches ((ABC, ABCII, T.C) on the basis of the overall scores.

Null hypothesis:

Assumptions of the first goal:

- The first hypothesis: There is no significant difference between the mean averages of the scores of the sample members on the evaluation questionnaire for cost approaches ((ABC, ABCII, T.C) depending on the gender variable (males and females) at a level of significance (0.05).

- The second hypothesis: There are no significant differences between the arithmetic averages of the scores of the sample members on the evaluation questionnaire for cost approaches (ABC, ABCII, T.C) according to the scientific qualification variable (diploma, bachelor's, graduate) at the level of significance (0.05).

- The third hypothesis: There are no significant differences between the arithmetic averages of the scores of the sample members on the evaluation questionnaire for cost approaches (ABC, ABCII, TC) according to the service variable (1-10, 11-20, 21-30, 31 - more) in years at the level of significance (0.05).

Assumptions of the second goal:

There is no significant relationship between the cost approaches (ABC, ABCII, T.C) at the significance level (0.05).

Search boundaries: Current search is combined with Objectivity: cost approaches (ABC, ABCII, T.C).

- Human: workers in cost and financial accounting in the factories of the General Company for Leather Industries.

- Time zone: 2020.

Theoretical background and previous studies

Introduction: This topic includes the theoretical background extracted from the priorities of cost accounting through cost approaches , which are specified within the boundaries of the research as follows:

1-2 Theoretical Background:

To impose clarity in the areas of cost accounting, which is one of the current specialized areas that no organization, industrial or service company, or banks can do without. Costs are defined linguistically: they are the one who assigned the cost of an assignment of what is difficult for him, and the cost of the thing collected and (cost) what it costs a person from the right (Al-Razi, 1981: 576)

As for costs, they are defined idiomatically : they are a sacrifice of resources, whether material or human, and are used to measure the efforts associated with manufacturing a product or providing a service (1989: 9, Raybyru)

As for cost accounting, it has multiple definitions idiomatically, including: It is an accounting system based on the collection of special accounting data for cost elements from the approaches of various activities according to specific rules and concepts for the purpose of determining the cost of the activities' outputs to be used in control, planning and decision-making (Radhy, 19-20 2003)

In view of the importance of the concept of cost and in terms of science, we find that some specialists have referred to its elements, which seem to be derived from its multiple definitions, namely:

1- Sacrifice 2- the cash sum 3- realization 4- trade 5- alimony

(Tikrit, 23: 2010)

2-2 Cost Classification

The costs incurred by the enterprise are many and vary from one establishment to another and can be classified from several angles, according to time, their relevance to jobs, their relationship to production, in terms of charging the cost components.

It can be classified as follows:

2.2.1 In terms of time routing:

- * Historical costs: that is, recording the value of costs as they occur in their history, regardless of increases or decreases that occur in time.



* Real costs and opportunity cost lost: Real costs are the real value incurred by the facility, while opportunity costs are the costs resulting from not using all the available energy.

* Estimated costs: It is the total costs that are placed before the start of the establishment's activity based on the basis of pre-estimated calculations that may be incurred.

* Standard costs: They are costs that are placed according to the standard tasks performed by the facility.

2-2-2 in terms of its relevance to the jobs within the establishment to:

Production costs: These are all the costs consumed in the production process that must be available to this department in order to carry out its activities.

Selling costs: are all the costs accomplished under this department from offering services and goods, marketing the product and other tasks that support the selling function.

Administrative costs: These are all costs that are consumed while the administration is carrying out its activities in the facility.

2-2-3 in relation to production:

Fixed costs: They are a set of costs incurred by the establishment, whether or not it was produced, and the amount of which remains constant regardless of the change in the volume of production.

Variable costs: are a set of costs incurred by the facility while performing its tasks, and their value changes by changing the volume of production.

Mixed costs: are a group of costs that change according to the change in the volume of production, but at a different rate that differs from the rate of variation in the volume of production.

2-2-4 In terms of charging the cost components to:

Total costs: are the total costs incurred by the facility, regardless of its source or its relationship to production.

Indirect costs: are the costs that the facility incurs in the course of performing its normal tasks, but these costs are not directly involved in production.

Direct costs: They are all the costs that directly enter into production, that is, they are consumed by the customer (Quantum, 2001: 12). , 2010).

2-3 Types of cost approaches

As we mentioned in the first topic, the researcher identified three types of cost approaches, which are believed to be more used, and many studies and methodological research included them in detail, and moreover, they are approved by most industrial and service companies and banks.

1- Activity Based Costing (ABC):

Introduction: The use of this approach requires familiarity with some basic concepts such as activities, unit cost, cost base and cost causer. Activities are considered as the set of operations that represent the work that is performed within the economic unit, and given their multiplicity, they should be reclassified into homogeneous groups. Cost represents the lowest level of detail at which costs are collected and distributed, whether this level relates to a single activity or an integrated group of activities with the same usage rates, and is used in setting the loading rate. Finally, the cost index represents a measure that reflects the basic reason for the formation of the cost component within each activity or cost base, and it should be chosen so that it has a clear causal relationship, taking into account the existence of two levels of cost causes , the first level means those causes that are used in allocating the resources available to the activities, and the second level, those causes are used to allocate and track costs of activities on services.

Characteristics of the ABC system:

- It fits the system with the nature of the project's work, its need, and its administrative division. Economy of expenditures to match the cost of the existing benefits.
- It is characterized by ease and clarity as it can be understood and implemented at all administrative and executive levels.
- It includes the means of judging and controlling the cost elements.
- It includes the integrated coordination between those in charge of its implementation.
- It includes the ingredients that enable the preparation of the necessary estimates and the criteria used to study projects.

Objectives of the ABC system:

The objectives of the cost accounting system can be limited on the basis of the ABC activities in the following goals:

- Fair distribution of costs on products. Determine the activities with the highest costs.
- Not burdening the product with costs that did not contribute to its production.
- Distribution of costs to activities according to more accurate and flexible criteria.
- Reducing costs by cutting out activities that do not add value.

Principles of the ABC approach: The ABC system is based on two basic principles:

- Activities consume resources and the acquisition of resources causes costs.
- Products and services consume activities. (Muhairiq, 2001: 32)



• The approach is a consumption model.

2- Attributes Based Costing (ABCII):

(ABCII) technology is one of the attempts to reach the identification and measurement of product costs and provides important information in making appropriate decisions that depend on product specifications as the basis for determining and measuring the costs. The approach that complements ABC and its idea, as the researcher summarized, is that the specifications or characteristics are the main axis of cost calculation.

The ABCII system is defined as an extension of the activity-based cost system, and it depends on the principle of cost-benefit, as it focuses on satisfying the needs of the customer, by searching for the optimal enhancement of the customer's benefit, by comparing the alternatives to improvements in characteristics and the costs of achieving those improvements. Thus, it performs a detailed analysis of the information related to customers and their needs, so that the analysis shows the conditions for achieving certain product specifications such as (reliability, durability, responsiveness, appearance), and the development costs necessary to reach those specifications. (Barfield & etal, 2001: 146)

3- Target costing Approach (T.C):

The idea of target costs originated in Japan in the 1960s and remained secret for many years until the early 1980s, when it was recognized as a major factor in the excellence of Japanese enterprises and the superiority of their products in the competitive environment (Feil & etal, 2004: P10).

The target cost is the development of the American idea called (value engineering), known in Japan under the name (Genka Kikaku), which was adopted after World War II in light of the lack of resources and skills required to develop both technology, tools and new concepts that were necessary to reach to a point of equivalence with the competitors in terms of quality, cost and productivity.

The researcher crystallized some ideas about the target cost as follows:

1- Determining the target cost of the product, i.e. the competitive cost derived from the reality of the market, the industrial organization will ensure obtaining the desired market share and generate the planned profit margins when the product is sold.

2- Reconsidering the design of the product and its characteristics in order to reduce costs to the target level. Effective control over the costs of the product is based on the early stages of its life cycle and before its occurrence rather than waiting.

Stages of implementing target cost approach:

The implementation of the target cost approach goes through three main phases, which are as follows:

The first stage: planning the target cost.

The second stage: achieving the target cost using cost optimization tools.

The third stage: improving the target cost and developing it in the production stage through continuous cost improvement (Kaizen Costing), which is based on the concept of value engineering that aims to improve product value and production processes, a Japanese term used for efforts to improve production processes. (Barfield & etal - 2003: 721)

The first stage: planning the target cost

The target cost planning process begins with conducting market research to study and evaluate supply and demand conditions, current and future expected conditions in which the sale will take place, in addition to identifying the customer segment that will be focused on and whose needs have not been met through the current products put on the market and work to determine the product specifications desired by them, as well as the level of quality and competitive price that will attract the largest possible number of customers.

Source: (Abdullah and Al-Rahman, 2010: 45)

Difficulties applying the target cost approach

In spite of the great importance of the target cost approach and the great benefits that can be obtained as a result of its application, there are many difficulties and obstacles that stand in the way of its actual application, which the administration should be aware of in advance in order to be able to overcome them. Of these difficulties:

- The organizational conflict between the different departments and departments in the facility and the lack of cooperation among them as a result of the different goals pursued by each department, which leads to the difficulty of forming teams that perform a coordinated and regular work, which will negatively affect the success of implementing the target cost approach.

After this presentation, the researcher has summarized to Split_ Points in preparation for the third topic (research methodology, especially building the questionnaire), and the points are:

• The variance of detailed approaches (T.C, ABC, ABCII) varies in terms of ease of application.

• The (ABC) requires time to update.

The approaches converge with practical benefits in terms of their ability to integrate them and reduce costs.

• The (ABCII) approach is more related to the concept of quality.



The approaches constitute an integrated program for accounting costs.

METHODOLOGY AND PROCEDURES

An introduction :

This topic includes a description of the type and nature of the study and the characteristics of the sample members according to the appropriate variables and the steps for preparing the questionnaire in terms of validity and consistency and the statistical treatments that were adopted in analyzing data and testing hypotheses.

Methodology:

It adopted a descriptive research methodology, which is based on description, analysis, and opinion polls of the sample individuals in evaluating the approaches.

Research community :

It is the individuals who work in cost accounting and financial accounting in the laboratories of the General Company for Leather Industry, whose number is (80), according to the researcher's knowledge.

Researcher sample:

The research sample is considered one of the intentional samples who work in the accounting and financial fields and not others. (75) questionnaires were distributed and (50) questionnaires were recovered, at a rate of 67%.

Gender variable:

There are (38) males and (12) females.

Scientific qualification variable:

There are three levels of academic qualification, which are (diploma, their number (12), bachelor's degree, their number (32), and higher diplomas, their number (6)).

Service variable in years:

The sample was divided into (4) categories and as follows:
 (1-10) years , No, 4, (11-20) Issue 22, (21-30) Issue (20), (31-more) Issue 4

Table (1) Distribution of the sample according to the research variables

Description number	Gender			scientific qualification				Service in years				
	males	females	total	diploma	Bachelor	Higher Degree	total	1-11	11-20	21-30	30-more	total
38	12	50	12	32	6	50	4	2	20	4	50	Perce
76	24	100	24	64	12	100	8	4	40	8	100	

It is evident from Table (1) there is a difference in the levels of the variables, we find that males account for 76% almost double the percentage of females. On the other hand, we find those awarding bachelor's degree whose percentage is greater than the two scientific qualification (diploma, higher) by 64%, and we find that the service category (11-20) is close to Class (21-30)

Data collection sources:

The search for all data and information depends on two types of sources:

Secondary sources: It consists of the theoretical background of the cost and cost accounting approaches , which were gathered from specialized Arab and foreign sources related to the research problem as well as previous studies that are consistent with the current research in terms of the main variables (cost approach , and the researcher came out with a scientific benefit that increased his experience and a process on which is relied on in Preparing the evaluation questionnaire.

Primary sources: The Questionnaire was adopted, and it is one of the data collection tools that are suitable for the curriculum, especially the evaluation studies.

Study tool:

The preparation of the evaluation questionnaire, which is considered one of the primary sources, as we indicated earlier, passed the following steps:

- Access to previous studies that have separated cost approaches , including (Al-Rubaie, Saad, 2018), (Al-Difae, and Al-Khalaf, 2019), (Al-Obaidi, 2010) and others, for the purpose of reviewing the characteristics or advantages of specific cost approaches within the research boundaries, which depend on as a place to evaluate the approaches .
- The researcher derived (25) paragraphs from the characteristics. Cost approaches were formulated according to expected situations that he may interact with professionally and in light of this, he can determine the level of presentation of the input.



• Prepare alternatives to answer the three paragraphs by using the expression (numbers) instead of the verbal expression and as follows:

1. Score (1) means that the evaluation estimate for the paragraph is weak.
2. Score (2) means that the evaluation estimate for the paragraph is average.
3. Score (3) means that the evaluation estimate for the paragraph is strong.

The evaluation estimate means that the paragraph represents its effectiveness in cost accounting, and it can summarize the common areas between the cost entries, namely:

1. Its role in reducing cost.
2. Its role in Pricing.
3. Its role in Competitive Advantages.
4. Its role in professional development as a decision for the final evaluation in light of the employees' views.

At the end of the questionnaire and the weakness of a paragraph concerning its recommendation, the arrangement of these paragraphs in a regular list is the questionnaire presented to a number of experts in the field of administration and economics to get

benefit from their experiences. After analyzing the responses they agreed to exclude (3) paragraphs as being dishonest and invalid in conducting an evaluation of the cost approaches , Note that the questionnaire is one of the three specified approaches .

Validity:

Validity is one of the good characteristics of every measuring instrument, and it is known as the ability of the tool to measure what was put in order to measure it (Allam, 2000: 187).

Reliability:

It is also one of the characteristics required for the measuring tool, and it is defined as the ability of performance to give relatively stable results (Alam, 2000: 130) and there are various methods, and the researcher adopted the Alpha-Cronbach formula for the format Alpha-Cronbach, and each approach has a cost assuming that the nature of the approaches has a variation between them. The questionnaire is applied to the number (30) of the sample members who tested randomly and after calculating the equation between the reliability factors as in Table (2):

Table No. (2) Coefficients for estimating reliability according to cost approaches:

Approach	Reliability
ABCII	0,885
ABC	0,835
T.C	0,905

The reliability coefficients are acceptable for the purposes of such research, and with these measures the questionnaire has become in its final form, as follows:

- The questionnaire consists of an introduction that clarifies the target respondent in the research and definitions for each cost-calculation approach to activate his memory when responding, as well as fields for general data for variables. (Sex, educational qualification, years of service). The second section is a list of paragraphs divided into paragraph text and an estimate for each cost approach (Appendix 1)
- Scoring: The respondent is asked, as in the instructions, to place a sign (x) in front of the paragraph and under the rating value (1,2,3), and that each paragraph is for each of the cost approach , as in the applied example after the introduction.

- The total score for the items is calculated from the algebraic addition of the sample estimates through effects.
- The total score of the cost approach is calculated from the algebraic addition of the grades of the total paragraphs, and the total score of the questionnaire ranges from (22-66) to (44).
- It is not permissible to collect the total scores for the approach because they are independent between them.

The law of calculating the length of the class has been adopted, determining the level of evaluation with a triple gradient (weak, medium, strong) Class

$$\text{length} = \text{maximum} - \text{minimum} / \text{number of classes}$$

The number of categories is a level and as follows:

$$\text{Assessment level} = (1-3) / 3 = 2/3 = 0.67$$



Table (3) Calendar levels according to categories

Evaluation level	category
- 0,67) (1,67	weak
- 1,68) (2,43	medium
- 2,44) (3,1	strong

(Odeh, Al-Khalili, 1988: 69)

Statistical processing :

The choice of any statistical processing is supposed to take place under conditions, including the type of variables (continuous – discontinuous) and the level of measurement (Al-Obaidi, 2019: 26)

In light of this, the researcher used the following methods by using the statistical program:

1. Arthematic Mean
2. Standard Deviation
3. Persone Correlation Coefficient
4. One-way Analysis of Varian
5. The coefficient of Determination

Presentation and interpretation of results

1- Target costing approach: The calculation of the arithmetic mean of the paragraphs as shown in Table (4) related to the target cost approach (TC). The averages ranged (2,194 - 2,583) and the range of the standard deviation between (0.63

- 0.800), and when compared to the evaluation levels, Table No. (3) The aforementioned , we find that its general evaluation is high, with an arithmetic mean of (51,33) and a standard deviation (3,67). The number of paragraphs that obtained a high evaluation level amounted to (15) paragraphs compared to (7) paragraphs that obtained an average, and in light of that it can be said the evaluation of the target cost (TC) approach is high, and this is consistent with what some studies have concluded on the effectiveness of this approach in reducing costs, helping in pricing it, and raising the efficiency of the examiners (Zatma, 2007) and (Hadeeb, 2009). In addition to that, and regarding the intensity of the directive for its adoption, this approach obtained the largest percentage of the sample, 76%, which is considered large compared to the rest of the approaches.

Table (4) the arithmetic mean, standard deviations, and evaluation level for the paragraphs of the target cost approach T.C

Item No.	Items	arithmetic mean	standard deviation	spiritual weigh	evaluation level
1	Contribute to lower cost effectively	2.278	0.659	75.93	medium
2	It increases product quality	2.250	0.69	75.0	high
3	It takes into account the customer's desire for the product	2.444	0.606	81.47	high
4	Its strengths are more than its weaknesses	2.583	0.603	76.10	high
5	Its strengths and weaknesses are equal	2.194	0.709	731.33	medium
6	Contribute to developing product components	2.194	0.709	77.67	high
7	Guides in product pricing decisions	2.417	0.80	80.87	high
8	Calculating it takes a lot of effort	2.30	0.786	76.67	medium
9	It gives acceptable profits	2.500	0.736	75.00	high
10	It gives an effective competitive advantage	2.416	0.801	80.33	high
11	Assist in pricing the	2.30	0.787	76.67	medium



	product at competitive prices				
12	Enhance the level of industrial control	2.250	0.800	75.00	high
13	Contribute to appropriate and effective decision-making	2.22	0.796	74.00	medium
14	They are related to the complexity and diversity of products	2.250	0.710	75.00	high
15	Provides effective information and data in industrial planning	2.44	0.760	81.33	high
16	It is based on strategic planning	2.33	0.695	77.67	high
17	Achieve practical integration with the rest of the approaches	2.53	0.717	84.33	high
18	Simplifies departmental and process data analysis	2.08	0.609	69.33	medium
19	Believe in designing a complex activities cost system	2.78	0.961	92.67	high
20	Get control over indirect costs	2.44	0.660	81.33	high
21	It addresses the disadvantages of other approaches to commissioning	2.40	0.734	80.00	high
22	Suitable for multiple products	2.194	0.710	731.33	medium
		51.33	3.67		

Attributes Based Costing (ABCII)

With the same steps and in the same context as the previous detail, we find the range of the arithmetic averages for the paragraphs, the evaluation resolution (2,139 - 2,611), and the range of the standard deviation is (0.599 - 0.821). When comparing the values of the arithmetic averages with the levels of the evaluation table (3), we find that the final evaluation falls within the medium and high average by (13) paragraph of a high rating and (9) paragraph of medium average. Paragraph (5) received the highest average and in the same paragraph in the seventh approach, and the content of the paragraph refers in its meaning to an acceptable evaluation, and with the

same evaluation with what some studies have concluded such as The study (Al-Rubaie and Saad: 2018) and other studies in addition to what has been written about this approach in the literature of cost accounting such as the source (Al-Tikriti, 2010), (Haknsson & Lind, 2007), (Walker, M, 1999), (Mahmoud, 2007) Regarding the severity of the recommendation, the intensity level of the guideline was average at 64%, which is less than the target cost approach (TC). And in comparison with the rest of the approaches and in light of the mean value as approaches which are (17,50) and with a standard deviation (6,11).



Table (5) the arithmetic mean, standard deviations, and evaluation level for the paragraphs, cost approach based on specifications (ABCII).
 the target cost approach T.C

Item No.	Items	arithmetic mean	standard deviation	spiritual weigh	evaluation level
1	Contribute to lower cost effectively	2.360	0.639	78.76	medium
2	It increases product quality	2.389	0.688	79.96	high
3	It takes into account the customer's desire for the product	2.361	0.639	87.70	high
4	Its strengths are more than its weaknesses	2.611	0.599	87.71	high
5	Its strengths and weaknesses are equal	2.139	0.660	71.30	medium
6	Contribute to developing product components	2.278	0.650	92.67	medium
7	Guides in product pricing decisions	2.472	0.810	82.23	medium
8	Calculating it takes a lot of effort	2.194	0.821	73.13	high
9	It gives acceptable profits	2.611	0.644	87.71	high
10	It gives an effective competitive advantage	2.472	0.810	82.23	medium
11	Assist in pricing the product at competitive prices	2.194	0.821	73.13	high
12	Enhance the level of industrial control	2.250	0.806	75.00	high
13	Contribute to appropriate and effective decision-making	2.250	0.840	75.00	medium
14	They are related to the complexity and diversity of products	2.194	0.821	73.13	high
15	Provides effective information and data in industrial planning	2.47	0.736	82.23	high
16	It is based on strategic planning	2.190	0.742		medium
17	Achieve practical integration with the	2.472	0.650	82.23	high



	rest of the approaches				
18	Simplifies departmental and process data analysis	2.139	0.682	71.30	medium
19	Believe in designing a complex activities cost system	2.190	0.709	73.0	high
20	Get control over indirect costs	2.44	0.772	81.33	high
21	It addresses the disadvantages of other approaches to commissioning	2.333	0.792	77.67	medium
22	Suitable for multiple products	2.50	0.732	75.00	high
	total degree	50.17	6.11		

Activity Based Costing (ABC):

It appears from Table (6) that there is not much difference from the evaluation level of the target cost approach (TC) in terms of the number of paragraphs with a high evaluation level (15) and the average estimate (7), which are the same iterations with the target cost approach (TC) and the range of arithmetic averages may range For the questionnaire paragraphs between (2,171 - 2.66) and the standard deviation range, if paragraph (5) gets the largest average, it is the same as the evaluation level in the previous two approach , (0.539 - 0.777) and this evaluation level is consistent with what previous studies and the literature on the cost approach mechanism have emphasized in respect to effectiveness in the approaches to cost accounting, accounting and

finance in terms of competitive advantage, cost reduction and the occurrence of complementarity between the approaches, which appeared in the current research from the convergence of evaluation levels between high and medium. The researcher sees the importance of approaches types for the workers in term with accounting and financial matters in the productivity and financial institutes , banks. In respect to the recommendation , it has obtained 68% before presented the table as the final one for the final evaluation. And as follows :

The cost approach on basis of the activity- 2nd rank

The cost approach on descriptions – 3rd rank

Table 6 / arithmetic means , standard deviation , level of evaluation for the ABC

Item No.	Items	arithmetic mean	standard deviation	spiritual weigh	evaluation level
1	Contribute to lower cost effectively	2.286	0.7101	76.20	medium
2	It increases product quality	2.34	0.7256	78.00	high
3	It takes into account the customer's desire for the product	2.49	0.612	83.00	high
4	Its strengths are more than its	2.66	0.539	87.33	high



	weaknesses				
5	Its strengths and weaknesses are equal	2.23	0.731	74.33	medium
6	Contribute to developing product components	2.46	0.610	82.00	high
7	Guides in product pricing decisions	2.42	0.777	80.67	medium
8	Calculating it takes a lot of effort	2.31	0.758	77.00	high
9	It gives acceptable profits	2.48	0.701	82.67	high
10	It gives an effective competitive advantage	2.13	0.777	81.00	high
11	Assist in pricing the product at competitive prices	2.31	0.758	77.00	medium
12	Enhance the level of industrial control	2.34	0.764	78.00	high
13	Contribute to appropriate and effective decision-making	2.37	0.770	79.00	high
14	They are related to the complexity and diversity of products	2.257	0.741	75.23	high
15	Provides effective information and data in industrial planning	2.26	0.648	75.33	high
16	It is based on strategic planning	2.412	0.676	80.70	medium
17	Achieve practical integration with the rest of the approaches	2.314	0.610	77.13	high
18	Simplifies departmental and process data analysis	2.54	0.663	84.67	medium
19	Believe in designing a complex activities cost system	2.171	0.657	72.37	high
20	Get control over indirect costs	2.25	0.698	75.00	medium
21	It addresses the disadvantages of	2.428	0.689	80.93	medium



	other approaches to commissioning				
22	Suitable for multiple products	2.457	0.689	81.90	high
lk	total degree	50.33	3.67		

Before choosing the null hypotheses derived from the first goal, the strengths and weaknesses of the cost approaches are summarized in light of the

evaluation levels shown in table (6,5,4) as follows: Table (7) the number of strengths and weaknesses in cost approaches

approach	level of evaluation			judgment
	medium	strong	weak	
T.C	7	10		accepting the approach
ABC	7	10		accepting the approach
ABCII	9	13		accepting the approach after improvements.

Coordinate with the procedural definition adopted in this research and with the content of the first objective, and with this schedule, the objective has been procedurally achieved.

Test Null _ Hypothesis

The researcher derived zero hypotheses from the first objective to make sure of investigation verification in terms of an assumption that there is an effect on the responses of the opinions of the workers (members of the sample) according to specific variables as follows:

There is no significant difference between the arithmetic means of the scores of the sample members on the questionnaire of cost approach evaluation (ABC, ABCII, TC) according to the gender variable (male, female) at a significance level (0.05) . To test the hypothesis, the researcher used the T-test for the two independent samples. The test is as shown in Table (8), if the calculated T value of the cost input (TC) is (1.63), (ABC) is (2.415) and (ABCII) is ((0.437), and when compared with the tabular value at (df ((48) below the level of (0.05) is (2000). For the Two _Tail test, in light of the

comparison, we find that the differences are not significant for the two cost inputs (TC, ABCII) and the difference is significant for the two approaches of the cost (ABC) because the calculated value is greater than the tabular value in favor of females, which explains that females are more accurate in determining the effectiveness of the cost approaches (ABC) in two evaluations, and here it is required to calculate the effect size in light of the following equation:

$$d = x_1 - x_2 / \sqrt{\frac{s_1^2(n_1-2) + s_2^2(n_2-1)}{n_1+n_2}}$$

After applying the equation, the effect size was equal to $d = 0.747$, and to determine the level of impact strength compared to the criteria for your influencing factor d , the effect surpass the medium level because it is greater than (0.50) and less than (0.80) (Al-Obaidi, 2019: 122) In light of this, the null hypothesis is accepted for the results of two cost approaches (T.C, ABCII) and rejected with respect to the cost approach (ABC).

Table (8) the results of the dual test for the difference between the current averages according to the gender variable:

Approach	Gender	Sample	X	S	Value of T	Significance
ABCH	MALES	35	49.20	4.754	0.437	Insignificant
	FEMALES	15				
T.C	Males	35	47.286	4.806	1.603	Insignificant
	Females		49.533	3.542		
ABC	Males		47.829	3.906	2.415	Significant at 0.05



	Females		50.666	3.559		
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The second null hypothesis test:
 There are no significant differences between the arithmetic averages of the scores of the sample members on the evaluation questionnaire of the cost approaches (ABC, ABCII, T.C) according to the scientific qualification variable at a significance level (0.05). The researcher used the One - Way ANOVA analysis, which fits one independent variable, which is an alternative to the binary test because it is more than two samples.

When applying the test using the SPSS program, as shown in Table (9), and that the differences between the averages are not significant, meaning that the levels of scientific qualification do not affect the evaluation views of the cost approaches, so the binary null hypothesis is accepted for all the specified cost approaches and that the differences were by – chance

variation source		T o t a l	Degree Freedo m	Avera ge of suar es	F value	Tabular Value	Tabu lar Valu e
ABC1 1	between groups	15.495	2	0.353	7.747	insignificant	318
	inside the groups	1031.620	47		21.949		
	Total	1047.120	49				
T,C	between groups	109.295	2	2.748	54.648	Insignificant	
	inside the groups	934.625	47		19.886		
	Total	1043.920	49				
ABC	between groups	42.880	2	1.365	21.440	Insignificant	
	inside the groups	738.000	47		15.702		
	Total	780.880	49				

The third hypothesis test: There are no significant differences between the arithmetic averages of the scores of the sample members on the evaluation questionnaire of the cost approaches (ABC, ABCII, T.C) according to the years of service at the level of significance (0.05). And the researcher used for the test the second hypothesis One - Way ANOVA as in the previous variable and after applying the E-value calculations for the three approaches as shown in Table (10) and when comparing the calculated absent value with the tabular value at a score of (46.3), we

find it is less than the tabular value and this means that the differences are not significant and have no effect in estimating the evaluation of cost approaches from the employees' point of view and that the differences in the arithmetic averages were coincidental, so the third null hypothesis is accepted and the interpretation of that is that the years of service, regardless of whether they increase or decrease, do not affect the researcher according to his belief that employees do not follow cognitive development in the cost accounting literature:



Table (10) the results of the single variance analysis for the variance test for the years of service variable

variation source		Total	Degree Freedom	Average of squares	F value	Tabular Value	Tabular Value
ABC1 1	between groups	17.132	3	5.711	0.255	Insignificant	318
	inside the groups	1029.988	46	22.391			
	Total	1047.120	49				
T,C	between groups	62.230	3	20.743	0.972	Insignificant	318
	inside the groups	981.690	4	21.341			
	Total	1043.920	6				
			4				
ABC	between groups					Insignificant	318
	inside the groups						
	Total						

The second goal: Detecting the strength and direction of the relationship between cost approaches . The researcher believed that uncovering the strength of the correlational relationship between cost approaches and their change is based on the assumption that the strength of the relationship may affect the effectiveness or be affected by other cost approaches . The researcher believes that the evaluation in light of the views may be superficial and that delving into the cost indicators may give a new evaluation that we can arrange. By the cost approaches specified in the current research, and in terms of the statistical literacy of the researcher, which revolves around the

interpretation of the coefficient of correlation not in its strength in terms of number , but with the ratio of the explained variance and the so-called coefficient determination. It is the variance ratio explained to the dependent variable by the independent variable (Allam, 2000: 300) and is calculated by squaring the correlation coefficient, and to achieve this according to the correlation coefficient between the degrees of the three cost approaches , as shown in Table (11), which represents the Correlations Matrix. The range of the relationship ranges between (0,439 - 0,657):

Table (11) matrix of correlation coefficients between cost approaches

Cost Approach	T. C	ABC	ABCII
T.C	—	0.530	0.439
ABC	0.530	—	0.657
ABCII	0.439	0.657	—

And the strength of the relationship is medium , and to explain this according to the determining factors, which is the square of the correlation factor, it was (28%, 19.27%) meaning that if we assume the cost approach TC in the independent variable and (ABCII) and (ABC) in dependent variables. If the researcher believes in light of views that the cost approach is the independent variable, so these approaches are better because it explained approximately 28.1% of the variance of the ABC approach and 19.27% of the

variance approach (ABCII), and it is a strong point for this approach and it can be said that the results of the second goal are coordinated with the results of the first objective. These results cannot be compared with previous studies, as there is no research in the field of different cost stages.

And for the test the second objective hypothesis (there is no significant relationship between the cost approach at the level of significance (0.01). To achieve this, the values of the calculated correlation



coefficients were compared with the critical values at the level of significance (0.01) and a degree of (48) so it was (0.381). This changed that the relationship is significant, so the null hypothesis is rejected.

CONCLUSIONS IN LIGHT OF THE RESEARCH RESULTS

The researcher produces the following:

1. Disclosure of employees' views. Evaluation estimates may be affected by the weakness of the evaluation culture, especially the specific cost approaches.
2. It appears that the sample members have weak interest in responding to the items of the questionnaire.
3. The researcher concludes there may be a typing pattern in the workers' knowledge of the applied field of cost approaches.

RECOMMENDATIONS:

1. The necessity to work on the availability of the conditions and requirements of the comprehensive quality system with the application of the target cost approach T.C to obtain high-quality products and a specialized cost in competition to ensure the survival and continuity of the products and the company together
2. The necessity to measure and analyze quality costs to collect information, including customer desires.
3. Focusing on modern methods and their use in economic units and choosing cost approaches.

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