

The Accounting Strategy is a Goal to Achieve the Managerial Strategy Competitively: A case study

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Abstract

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The research aims to demonstrate the effective role of implementing the appropriate accounting strategy to achieve the managerial strategy in a way that increases the competitive capabilities of the organization , many organizations seek to achieve strategic goals without paying attention to the need to find an accounting strategy that suits the organization's situation, which will affect the competitive position , the practical aspect of the research was represented by a case study in one of the Iraqi banks operating in Basra Governorate, namely Bank X. the bank's data for the year 2023 was adopted, represented by the costs of loans granted in the Credit Management Department , to apply the research tools, a SWOT analysis was applied to explore the current strategic position of Bank X , based on the SWOT analysis, the TDABC accounting technique was applied to allocate costs based on the time spent on each activity , it was found that applying research tools enables Bank X to build its accounting strategy to fill weaknesses and support strengths in a way that contributes to achieving the managerial strategy , as detailed data was obtained that represented a more accurate distribution of resource costs, the amount of unutilized energy by (28.5%) , Cost savings reached 72,291,848 dinars, and the time consumed in each activity was determined, which strengthens the bank's competitive position and provides the appropriate basis for improving cost concentration and making many decisions to achieve its strategic objectives.

Keywords: accounting strategy, management strategy, competitive advantage, TDABC, SWOT

1. Introduction:

In the modern business environment and rapidly evolving economic events, economic units can work to revamp their strategies to align with the requirements and rapid changes of the modern business environment, both in production and marketing, by adjusting and aligning with customer desires and needs. This is in line with the managerial strategic vision for decision-making and realizing long-term goals, with the goal of obtaining the largest possible market share, ensuring the strengthening of the economic unit's competitive and financial position. One of the most important strategies for achieving the objectives of the managerial strategy is developing an accounting strategy with a modern perception.

2. Methodology

2.1 Research Problem:

The majority of economic units suffer from a lack of precision in developing an accounting strategy that is steady with and keeps pace with the rapid changes in the modern business environment at the level of product cost management and pricing, and providing appropriate information to the management of economic units. This helps them achieve the managerial

strategy they seek at the competitive level, in terms of identifying customer needs and specifications for the products they wish to purchase. Based on the above, the research problem can be formulated in the form of the following questions:

1. Does developing an accounting strategy based on the internal and external perspective of the economic units help manage costs according to a modern perspective and provide appropriate information for management to perform its duties more efficiently and effectively?
2. What is the role of the accounting strategy in achieving a competitive managerial strategy?

2.2 Research Importance:

1. Developing an accounting strategy (AS) according to a modern perspective is one of the factors contributing to the competitive success of economic units.
2. A modern accounting strategy represents one of the management requirements for achieving its comprehensive managerial strategy.
3. The current research is a study to demonstrate the importance of linking modern accounting strategy with managerial strategy in contributing to the success of the economic unit at the competitive level.

2.3 Research Objectives:

1. Explain the cognitive foundations of accounting strategy and managerial strategy and the nature of the relationship between them.
2. Highlight the role of accounting strategy in achieving managerial strategy.
3. Highlight the role of accounting strategy in enhancing competitive capabilities.

2.4 Research Hypotheses:

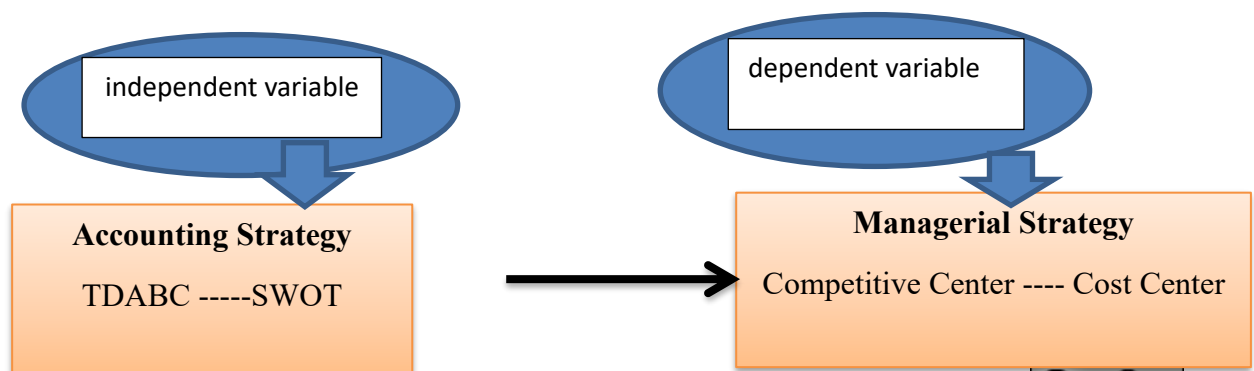
The research is based on the main hypothesis:

"The accounting strategy contributes to achieving managerial strategy competitively".

The main hypothesis can be divided into:

1. The accounting strategy (TDABC) contributes to managing costs and pricing products according to the competitive situation, providing appropriate information, both cost-effective and managerial, for strategic decision-making.
2. A modern accounting strategy contributes to keeping pace with and harmonizing with the rapid changes in the modern business environment, which contributes to enhancing opportunities and strengths according to SWOT analysis.

2.5 Research model:



2.6 Research Population and Sample:

Based on the research variables, the research includes a population represented by the banking sector in Iraq, as it represents the foundations for achieving the study's objectives and tools and verifying the hypothesis. A bank operating inside and outside Iraq was selected, with numerous branches in several Iraqi governorates. Financial data for the year 2023 was selected for the bank's branch in Basra Governorate.

2.7 Previous Studies.

Tenucci & Cinquini (2010) distinguished between three strategic options that a firm may pursue to gain a competitive advantage: cost leadership strategy, which focuses on reducing product costs compared to competitors; differentiation strategy, which focuses on providing distinctive products to consumers; and strategic focus strategy. Hult et al. (2005) demonstrated that the significant attention strategic studies have paid to the degree of market orientation within business strategy has not been met with similar attention from management accounting studies. McManus and Guilding (2002) indicated that the market orientation philosophy emphasizes the view that the objective of an organization's activities is to satisfy customer needs.

3. Accounting Strategy.

3.1 The Concept and Philosophy of Accounting Strategy.

The requirements of product production and marketing in the modern business environment have led to changes in accounting procedures, both in relation to product cost management and the decision-making process regarding marketing and product pricing. Consequently, attention has been given to developing the long-term strategic policy of the economic unit. Given the importance of this, a focus has been placed on the strategic dimension of economic units with the aim of achieving the objectives sought by these units through strategic management, ensuring they strengthen their competitive position. This is achieved by developing an accounting strategy that incorporates the principles, components, and tools that contribute to managing product costs and pricing according to a modern perspective (Qing & et al,2022:87) . (Almashkor et al., 2023:3206) defines accounting strategy from a cost-benefit perspective as an approach focused on developing the strategic position of an economic unit financially and competitively through the use of an interconnected set of cost management techniques and tools that work to reduce costs, develop and continuously improve, and provide appropriate information for strategic decision-making. The goal is to manage costs strategically and ensure the stability of its competitive and financial position. (Al-Jalili, 2007:39) also defines it as an interactive relationship between the marketing process and management accounting, focusing on the element of competition and external aspects in order to achieve a competitive advantage. The philosophy of accounting strategy is evident in reaching rational decision-making that achieves sustainable development for economic units and maintains their competitive position in the markets (Buallay A. & Hamdan A., 2017:67).

Researchers believe that strategic accounting is a branch of accounting that focuses on providing financial and non-financial information that assists management in formulating and



implementing business strategies to achieve long-term goals. Strategic accounting is concerned with identifying and analyzing the information necessary to support strategic decisions and evaluate and improve performance.

3.2 Steps for Implementing an Accounting Strategy.

The steps for implementing an accounting strategy can be outlined as follows: (Fridson & Alvarez, 2022:198), (Monteiro, et al., 2021:86), (<https://www.akifcpa.com/>)

Step 1: Determine the company's financial goals and objectives.

This may include improving the company's financial and competitive position through cost management and strategically supporting competitive advantages.

Step 2: Develop and Define an Action Plan

This step involves defining a plan that includes solutions to the problems that hinder the process of improving the financial and competitive position of the business unit. These solutions include implementing new accounting systems and technologies that contribute to raising the level of performance.

Step 3: Determine Financial Control Procedures

Another important aspect of the accounting strategy is defining effective financial control procedures. This includes establishing systems and procedures that ensure the accuracy and appropriateness of financial data, which contributes to sound decision-making by management.

Step Four: Establishing an Accurate Accounting System

Having an accurate accounting system contributes to a successful accounting strategy by properly recording, classifying, and processing data, ensuring data accuracy is maintained and relied upon in financial analysis and management decision-making.

Step Five: Continuous Monitoring

Finally, an accounting strategy requires ongoing effective monitoring to ensure sustained financial and competitive efficiency and effectiveness as required and specified by management. This may include conducting periodic financial audits and monitoring, or analyzing financial ratios.

In conclusion, developing a well-designed accounting strategy is critical to the success of any economic entity. It provides a roadmap for managing financial and non-financial resources, making sound decisions, and achieving pre-defined financial goals and objectives. By following the steps and procedures outlined above, companies can develop a comprehensive accounting strategy that aligns with their goals and objectives, ensuring the effective and efficient management of their financial resources.

3.3 Advantages, Importance, and Elements of Accounting Strategy.

The main advantages of developing an accounting strategy are as follows:

(Sangster, 2020:73) (Marlina, et al 2020:16) (Almashkor, et al, 2023:3206)

1- Improving the ability to make strategic decisions.

2- Increasing organizational effectiveness through improved resource allocation.

- 3- Enhancing the competitiveness of the organization.
- 4- Supporting sustainable growth and achieving long-term goals.
- 5- Strategic accounting helps organizations determine the optimal path to success and prosperity in a dynamic business environment.

Based on a literature review, researchers believe that the basic elements of an accounting strategy are as follows:

1. Strategic planning: Defining long-term goals and developing plans to achieve them.
2. Environmental analysis: Understanding the external factors that affect the organization, such as the economy, competition, and technology.
3. Identifying core competencies: Identifying internal strengths and weaknesses and developing strategies to capitalize on opportunities and address challenges.
4. Competitor analysis: Gathering and analyzing information about competitors to determine effective competitive strategies.
5. Performance evaluation: Using financial and non-financial metrics to assess the extent to which strategic objectives are achieved.
6. Risk management: Identifying and analyzing potential risks and developing strategies to manage and mitigate them.

Regarding the importance of accounting strategy, researchers, based on a literature review, believe that the importance of developing an accounting strategy is crystallized in several points, as follows:

1. Meeting management's requirements for appropriate information to manage costs strategically in line with the competitive situation.
2. Contributing to providing information that helps in the optimal utilization of resources.
3. Focusing on non-financial information related to customers and the competitive situation, such as customer satisfaction and the quality level of competing products.

4. Managerial Strategy.

4.1 The Concept of Managerial Strategy.

The meaning of the word strategy initially originated within the military field and comes from the word "strategos." This meaning later evolved to extend its application to other human activities, particularly business strategies. Strategy represents the main contemporary concept that has replaced previous managerial activities such as management or planning. One of the main obstacles facing business strategies is understanding the reality of the competitive environment and explaining the extent of competition's impact on businesses (Fuertes, et al., 2020:1). Strategy is a set of long-term managerial actions and decisions aimed at determining a company's performance. This includes surveying the external and internal business environment, strategic planning (strategy formulation), strategy implementation, and then control. and performance evaluation. All of this will require the company to monitor and

evaluate external opportunities and threats in light of its strengths and weaknesses in order to establish and implement the company's strategic direction (Hunger & Wheelen, 2011:1). (Porter,2008:3) indicated that management strategy is the selection of a set of activities in which the company excels and distinguishes itself to create a sustainable difference in the market. Strategic direction arises from distinguishing between the selected activities and how they are implemented. (Ongaro & Thiel,2018:6) believe that strategic management requires defining the company's primary purpose and future directions and planning accordingly to achieve long-term goals.

4.2 Elements of Management Strategy.

According to [Chiavenato, 2009:2], there are four basic elements of strategy, as follows:

1. The mission, which answers the question: What is the purpose of the company? Based on the mission, the company's business and market are defined, and the needs met by the products and services.
2. The vision, which answers the question: What do we want the company to be in the future? Its purpose is to guide, monitor, and encourage the company as a whole to achieve the desired state of the organization in the coming years.
3. Values, which are the set of principles, beliefs, and rules that govern the management of the company.
4. Objectives, which indicate the results to be achieved within a specific time period.

(Misankova & Kocisova, 2014:861) indicated that strategic management includes essential elements, including strategic planning, strategic implementation, and strategic control.

4.3 Strategic Management at the Corporate Level.

Managers are the cornerstone of strategy formulation to achieve competitive advantage, and these strategies must be put into action. A company is a collection of functions or departments that work together to achieve a specific product or service. If a company offers several different types of products or services, these functions will be duplicated, creating a series of independent departments to manage each different product or service (Peppard & Ward, 2016: 4).

Management strategy at the corporate level is formulated and implemented by the CEO, other senior executives, and the board of directors. The CEO's role is to oversee the development of strategies for the entire company in collaboration with managers at the corporate level. This role includes setting the company's key objectives, defining its business, allocating resources, and providing leadership for the entire organization (Lynch, 2019: 87).

Business-level managers, such as finance, purchasing, marketing, and production managers, have a strategic role in translating general statements from senior management into practical strategies. Functional level managers are responsible for specific business processes or functions such as human resources, purchasing, product development, customer service, etc. Functional managers have a key strategic role in developing functional strategies within their

field that help achieve the strategic objectives set by managers at the business and corporate levels (Hill & Jones, 2009: 5-3). The primary concern of managers is the health of the company as a whole or the department they oversee; therefore, their responsibility is to create a competitive advantage and achieve high profitability using available resources (Richard Lynch, 2018: 11). Strategy formulation is not only the task of executives; it encompasses all levels of the company's hierarchy. Strategies must contribute to creating value for customers and be socially sustainable (Iazzolino & Laise, 2016: 459). Therefore, strategy formulation involves identifying the company's strengths and weaknesses to develop long-term plans for effective management based on the environmental opportunities and threats (SWOT). This includes defining the company's mission and objectives, achievable goals, developing strategies, and setting guidelines for the company's general policy. A successful strategy determines a company's position among its competitors, taking into account the alternatives, options, and resources available to achieve a competitive advantage (Rumelt, 2012: 8). Competitive advantage represents a company's ability to compete with competitors and gain customers in order to secure the financing necessary for its continuity and survival in the market (Issa & Abdel Sayed, 2022: 186). It is worth noting three general strategies that can achieve a competitive advantage, as follows: (Chaudhary et al., 2022: 564) (Sahoo, 2021: 132)

1- Cost leadership strategy: This refers to producing products and providing services of value and acceptability to customers at a lower cost compared to competitors, while maintaining a level of quality. This is achieved by avoiding waste and defects and allocating resources in accordance with customer needs.

2- Differentiation strategy: This refers to producing high-quality products or services that meet customer expectations and have specifications that distinguish them from competitors, leading to higher prices. This strategy is often used with innovative products or services. 3- Focus strategy: This strategy refers to meeting the needs of a specific customer group or market segment by focusing on products or services that meet these needs and providing them in a manner that covers the market and aligns with customer desires.

4.4 What is the impact of strategic management on performance?

A good strategy is a coherent set of analyses, concepts, policies, arguments, and ideas. Therefore, a company that responds to the requirements of a management strategy will outperform others that do not. The relationship between a company's environment, its strategy, structure, and operations have a positive impact on a company's performance. The more unstable the operating environment, the more important strategic planning becomes (Hunger & Wheelen, 2011:3).

(Gracia & Quezada, 2016:4-22) indicated that management strategies that focus on reducing risks and cost structure contribute to improving a company's performance, due to their positive impact on improving product pricing and profitability, in addition to addressing potential risks, which creates a competitive advantage. Managerial strategies have an impact on a company's short-term financial performance, as they provide a definition of the company's goals and objectives, which contributes to improving long-term performance or identifying deviations early (Grewatsch , et al., 2023:727). According to (Susanto, et al., 2023:2), strategic



management involves a combination of a company's resources and its goals, taking into account external factors such as market trends and competition. Therefore, implementing this strategy is an important part of it, impacting the performance of the company as a whole and its individual components. Therefore, implementing the managerial strategy requires high coordination among all parts of the company, including the formulation of the accounting strategy (Almashkor, et al., 2023:33).

5. Practical Aspect: Case Study.

5.1 Accounting Strategy and Its Role in Achieving Managerial Strategy.

To achieve competitive managerial strategic goals and objectives for organizations in a manner consistent with market requirements and customer desires, there must be harmony between the strategies implemented at the various levels of the organization's organizational structure. Accordingly, one of the most important tools for achieving managerial strategy is the availability of appropriate accounting strategic tools to achieve these goals. Among the most important modern accounting and managerial strategic techniques that can be appropriate for this are:

1. SWOT Analysis: This is a strategic technique used by organizations to evaluate the internal and external factors of the organization that may impact its ability to achieve its goals. The main factors in SWOT analysis are strengths, weaknesses, opportunities, and threats. (Gurel & Merba, 2017: 995)

2. Time-Driven Activity-Based Costing (TDABC): This method is developed from ABC and represents a measure of the amount of resource consumption by activities based on an estimated time for each resource to be used. This is used to allocate overhead costs to a cost objective, adopting two basic concepts: production capacity rate and time equations.

(Lumbwe, et al., 2022: 271) (Jumaah & Mashkoor, 2023: 425)

SWOT analysis can be used as one of the accounting strategy techniques to identify the most important strengths and weaknesses in managing the production and marketing process and delivering the company's product to customers according to their requirements and desires, based on the cost-benefit principle. SWOT analysis also highlights the most important levels of the business environment, including available opportunities and threats facing the company from competitors. These points and levels are an indicator of the efficiency and effectiveness of management in achieving a competitive management strategy. After presenting the results provided by the SWOT analysis, they can be used to achieve competitive advantages such as cost, price, time, and flexibility, which helps in the successful implementation of TDABC systems. The distribution and allocation of costs to production activities is more accurate based on the time consumed by each activity. To achieve the research objectives, the aforementioned accounting tools, namely SWOT and TDABC, will be applied to test the extent of the impact of the accounting strategy on making changes to contribute to achieving the desired managerial goals or strategies. For the purpose of applying the tools, the banking sector will be chosen as a research community as it is one of the most important sectors in the business world and one of the sectors that is most consistent with the research methodology. As for the research sample,



one of the regional banks operating in many countries, including Iraq, will be chosen. The hypotheses will be tested on a case in the bank's branch in Basra Governorate. This bank was chosen because it serves a large segment of Iraqis and has importance in the banking sector, which makes it able to represent the research community. The research sample will be referred to as Bank X due to the bank management's desire not to disclose the name of the institution due to the sensitivity of the data required by the research, especially accounting data, cost data, as well as bank strategies, time and activity data, and fears of the possibility of exploiting them in the competitive aspect of the sector. Accordingly, this will be adopted. The data of the applied case in Bank X for the year 2023 was adopted based on Records in addition to relying on observation, viewing and unstructured interviews with specialists in the research sample.

5.2 Implementing a SWOT Analysis at Bank X.

First: Strengths

1. The bank has a brand name and several branches inside and outside Iraq, which gives it a reputation and customer confidence.
2. The bank's focus and attention is on providing financial services and banking facilities, such as advances and loans, to customers with streamlined services.

Second: Weaknesses

1. High interest rates on loans.
2. Lack of a comprehensive accounting strategy for providing financial and banking services.
3. Lack of focus on non-financial indicators, most notably customer satisfaction, value proposition, and reduced customer wait times.

Third: Opportunities

1. Building a competitive accounting and marketing strategy to expand the bank's market share, such as offering more banking facilities and expanding salary localization.
2. The existence of a suitable environment for expanding market share in Basra Governorate by focusing on reducing the cost of financial services and developing a competitive pricing strategy.

Fourth: Threats

- 1- The increasing number of banks and companies providing similar financial services.
- 2- Competitors' prices, which are characterized by their suitability to customer needs in terms of cost, quality, and speed of response.

From the SWOT analysis, it is evident that the bank under study has the potential to provide financial services and expand in the market to gain a larger market share and maximize return on investment and profitability, especially in light of the emerging business environment in Iraq. However, this requires developing an accounting strategy that supports the achievement of these strategic managerial goals. The results of the SWOT analysis indicate that management should develop an accounting strategy in terms of both financial and non-financial aspects by selecting strategic accounting techniques that contribute to achieving the managerial strategic goals at the financial and competitive levels.

5.3 Implementing Time-Driven Activity-Based Costing (TDABC) at Bank X.

To implement this management system, several steps must be taken, including identifying the cost target, which will be the bank loans given by the bank's credit department. Then, costs are allocated based on the time spent on each activity in the credit management department and the departments included in endowing loans, namely the customer services department, the legal affairs department, and the treasury department. Costs must first be determined based on the records of the referenced departments, as shown in the table below:

Table (1): Costs of bank dep. according to the traditional accounting system

Dep. Details	Customer Service	Credit Management	Legal affairs	Treasury	Total Cost
Salaries and Wages	24878364	90644378	70334546	94821478	280678766
Commodity supplies	2434646	3664854	4894366	6704677	17698543
Service supplies	3867324	9393200	5356776	10538529	29155829
Deprecation	1264700	1801863	1913946	1672800	6653309
Maintenance	1045766	2109785	1977486	2521876	7654913
Total Cost	33490800	107614080	84477120	116259360	341841360

Source: Researchers' preparation based on bank records.

From the table above, it is clear that the total resource costs were 366,248,057 dinars, with the highest cost being for the treasury department. The next step is to determine the types of loans the bank grants. If the bank grants three loans, then determine the operational capacity of each department and the number of employees in each. From there, we will determine the unit cost (per hour) to calculate the cost rate for each department, as shown in the table below:**Table (2):** Calculating the cost per hour (cost rate) for each department

Department	Employees number (A)	Practical capacity (Hour) (B) ($A \times 7 \times 20 \times 12$)	Resource Cost (C)	Cost per Hour (C/B)
Customer Service	3	5040	33490800	6645
Credit Management	8	13440	107614080	8007
Legal affairs	4	6720	84477120	12571
Treasury	7	11760	116259360	9886

Source: Researchers' preparation based on bank data.

From the table above it is clear that the total working capacity of the bank's departments X was 36960 hours, the total hourly cost of the bank's departments was 37109 dinars, and the Legal Affairs Department obtained the highest loading rate while the Customer Services Department obtained the lowest cost rate, as the hourly cost was calculated through the following equation:

Cost rate (cost per hour) = Department resource cost / Department operational capacity.

If operational capacity is calculated after determining the actual working days per month, which are 20, and the actual working hours per day, which are 7 hours, excluding regular interruptions, as in the following equation:

Operational capacity = Actual working hours per day \times Number of employees \times Actual working days per month \times Months of the year

The next step is to establish time rates. Observation, interviews, and specialized statistics from the bank were used to determine the operational capacity of each department and determine the time required to perform each activity for each loan in the aforementioned bank departments. This was done to determine the time required for each activity, as shown in the table below:

Table (3): Calculating the time required to loan granting activities for each department

Loan \ Dep.	Customer Service	Credit Management	Legal affairs	Treasury	Total time (Hour)
Employees Loan	0.6	3.5	2.7	3.65	10.45
Cares Loan	0.75	4.8	3.8	5.9	15.25
Projects Loan	1	4.4	3.7	6	15.1
Total time (Hour)	2.35	12.7	10.2	15.55	40.8

Source: Researchers' preparation based on bank data.

From the table above, it is clear that the total time required to perform loan activities in the bank's departments is 40.8 hours. Auto loans are the most time-consuming loan, with a total of 15.25 hours. The treasury department is the department that consumes the most time to complete activities, with a total of 15.5 hours. The amount of energy consumed can be determined according to time rates by multiplying the loan activity time by the number of loans extracted from the bank's records, as follows:

Employee loans = $10.45 \times 998 = 10,429.1$ hours

Auto loans = $15.25 \times 632 = 9,638$ hours

Project loans = $15.1 \times 421 = 6,357.1$ hours

Therefore, the total actual time consumed is 26,424.2 hours.

To allocate resource costs to departments using load rates and time equations, it is necessary to determine the number of loans granted during the year for each type of loan. As in the bank's research sample records, the load rate is then multiplied by the time spent on each activity according to each bank department, as shown in the table below:

Table (4): Allocation costs based on the time consumed on activities for each department.
(Allocation TDABC)

Customer Service Dep.		cost per hour 6645 dinars	
Loan type	No. of loans	Time (hour)	Cost
Employees Loans	998	0.6	3979026
Cares Loans	632	0.75	3149730
projects Loans	421	1	2797545
Total		2.35	9926301
Credit Management Dep.		dinars 8007 cost per hour	
Loan type	No. of loans	Time (hour)	Cost
Employees Loans	998	3.5	27968451
Cares Loans	632	4.8	24290035.2
projects Loans	421	4.4	14832166.8
Total		12.7	67090653
Legal Affairs Dep.		cost per hour 12571 dinars	
Loan type	No. of loans	Time (hour)	Cost
Employees Loans	998	2.7	33873816.6
Cares Loans	632	3.8	30190513.6
project Loans	421	3.7	19581846.7
Total		10.2	83646176.9
Treasury Dep.		cost per hour 9886dinars	
Loan type	No. of loans	Time (hour)	Cost
Employees Loans	998	3.65	36011732.2
Cares Loans	632	5.9	36011732.2
projects Loans	421	6	36862916.8
Total		15.55	108886381.2
Total Cost of Resources according to TDABC			269549512

Source: Researchers' preparation

From the table above, it is clear that the distribution of total costs distributed across loans according to the TDABC model and the distribution ratios according to the case study in the research sample bank are as follows:

Table (5): Allocation costs to Loans according TDABC

Type of Loan	Employees Loans	Cares Loans	Projects Loans	Total
Cost	101833026	93642011	74074475.3	269549512
Percent	38%	35%	27%	%100

Source: Researchers' preparation

The distributed costs borne by the bank's departments can be shown based on the time consumed and their distribution ratios as follows:

Table (6): Allocation costs to departments according TDABC

Department	Customer Service	Credit Management	Legal Affairs	Treasury	Total
Cost	9926301	67090653	83646177	108886381	269549512
Percent	4%	25%	31%	40%	100%

Source: Researchers' preparation

6. Results

6.1 Case Study Analysis.

According to the case study data from the research sample bank, departmental costs were assigned to the bank's loan classifications. A review of the practical application results reveals the following:

1. The highest hourly cost was in the legal Affairs department, at 12,571 dinars, representing 39% of the total unit costs. This indicates the high cost of resources utilized by the department. Consequently, this cost can be reduced by streamlining expenditures within the department, which will positively impact the total cost across all departments.
- 2- The highest time-consuming loans at the hour level were car loans, which accounted for 15.25 hours, representing 37% of the total time spent on loan-granting activities. The Treasury Department ranked first, accounting for 15.5 hours, representing 38% of the total time spent completing loan-granting activities. This indicates the need to review the chain of procedures related to car loans and the Treasury Department, and to shorten activities that represent waste and abbreviate some activities. Furthermore, it is important to leverage information technology and digitization to reduce time, which contributes to improving the flow of operations and optimizing time. This will be reflected in reducing costs, thus increasing flexibility in loan interest pricing, improving profitability, and enhancing the bank's competitive advantages.
- 3- Employee loans ranked first in terms of the amount of costs incurred from resources relative to the total loans granted, representing 39.5%. This is due to the fact that it has the highest number of loans granted and the most time-consuming, reaching 10,429.1 hours. Therefore, it is the most time-consuming loan overall, Indicating the fairness of cost allocation under TDABC.
- 4- The costs were allocated to the bank's departments based on the time spent performing activities at different costs than before, with the highest cost allocation being to the treasury department at (40%) and the lowest cost to the customer services department at (4%). Therefore, the total resource costs under the traditional system were 341,841,360 dinars and according to the current study became 269,549,512 dinars, indicating a cost reduction of 72,291,848 dinars, meaning costs have decreased by (21%).



5- The energy utilized in Bank X according to the TDABC model amounted to (26424.2), which constitutes (71.5%) of the available practical energy, which is 36960 hours, indicating the presence of unutilized energy at a rate of (28.5%), which is equivalent to 10535.8 hours. Accordingly, it is necessary to work on finding the necessary treatments to exploit it in a way that achieves the objectives of Bank X.

6.2 Results and Future Studies.

By referring to the analysis of the case study in the research sample, it is clear that the application of the accounting strategy (TDABC) led to a more equitable distribution of resource costs, providing a clear vision and detailed information on the level of costs, time and energy for each activity, which contributes to creating competitive advantages for the bank and serves to support strengths, exploit opportunities, reduce weaknesses and address threats, as stated in the SWOT analysis , all of this provides the basis and starting point for achieving the bank's managerial Strategy at the level of internal and external to the bank, supports the achievement of strategic objectives, and enhances its competitive position , as the distribution of costs in Bank X according to TDABC according to what was actually performed is more fair and applies to the fairness of calculating profitability for each department, which improves the accounting strategy at the department level and provides accounting information that contributes to making strategic decisions that contribute to achieving the managerial Strategy of the bank x , the application of research tools, such as the process of drawing up an accounting strategy for Bank X , led to a change in the distribution of costs and energy, which serves to improve the cost position and support the bank's competitive position. Based on the above, the research results and case study analysis have proven the validity of the research's scientific hypotheses.

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