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The Role of Resource Consumption Accounting in Achieving Competitive Advantage Applied Research: General Company for Textile and Leather Industry

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Abstract. *The objective of this research is to explore resource consumption accounting within the economic unit under study. Additionally, the research aims to analyze competitive advantage as a process of uniqueness for an organization or a specific superiority when compared to its competitors. Based on this, the researcher posits that sustainable competitive advantage refers to the organization's objective ability to adapt to changes in the market environment and to thoroughly examine the industry environment. The research problem stems from the fact that many companies in today's world strive for leadership and excellence in production through the recognition of the importance of modern systems, particularly resource consumption accounting, in achieving competitive advantage. However, the challenges and external factors that accompany production processes may hinder this achievement. The study investigates whether resource consumption accounting has an impact on competitive advantage.The research is based on the hypothesis that there is a significant correlation between resource consumption accounting and sustainable competitive advantage. The importance of the research lies in highlighting the role of resource consumption accounting in achieving sustainable competitive advantage, and in assessing the impact of resource consumption accounting on the realization of such an advantage.*

Keywords *: Production Excellence, Market Adaptation, Modern Systems*

Introduction

Given the significant developments currently taking place within economic units, as well as the intense competition and the increasing flow of information, these factors have led to a weakening of control and supervision over the resources owned by these units. This situation necessitates the adoption of appropriate measures to control these resources and utilize them optimally through the application of modern management techniques, which, in turn, impact the achievement of desired objectives. One of the most prominent of these techniques is resource consumption accounting and sustainable competitive advantage.

Companies focus on training their workforce and using high-quality materials to achieve sustainable competitive advantage. Sustainable competitive advantage is characterized by several dimensions, including financial and human capabilities, as well as quality, creativity, innovation, and responsiveness to customer needs.

The research is structured into four main sections. The first section consists of two parts: the first part addresses the research methodology, and the second part reviews previous studies. The second section is divided into two parts: the first part discusses resource consumption accounting, and the second part explores sustainable competitive advantage. The third section

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presents conclusions and recommendations. The research also includes an appendix (practical side).

Chapter One

Section One

Research Methodology

The Problem

The problem of the research lies in the fact that many companies in the modern world strive for leadership and excellence in their production by recognizing the importance of modern systems, specifically resource consumption accounting, in achieving competitive advantage. However, the external factors affecting production may hinder this goal. The research problem can be summarized by the following question:

Is there a relationship between resource consumption and sustainable competitive advantage?

From this, the following sub-questions arise:

1.Does resource consumption accounting affect competitive advantage?

2.Is there a correlation between resource consumption accounting and sustainable competitive advantage?

Hypotheses

-There is a significant correlation between resource consumption accounting and sustainable competitive advantage.

-Resource consumption accounting has a significant impact on sustainable competitive advantage.

Research Objectives

1.To clarify the role of resource consumption accounting in achieving sustainable competitive advantage.

2.To assess the extent of the impact of resource consumption accounting on achieving sustainable competitive advantage.

3.To assist economic units in achieving sustainable competitive advantage through the implementation of resource consumption accounting instead of traditional accounting systems.

The Importance of the Research

The importance of this research lies in the need for economic units to apply modern techniques, one of which is resource consumption accounting. This technique helps save money by reducing costs through the precise analysis it provides in identifying idle capacity and increasing the production of high-quality materials to meet customer needs, ultimately leading to the success of the company and achieving sustainable competitive advantage among competitors.

Chapter Two:
Previous Studies

(1) Zakariya, Abdul Aziz Bashar Haseeb, Saleh Abdullah Hani, 2023, "The Contribution of Competitive Intelligence in Achieving Sustainable Competitive Advantage - An Exploratory Study "
Al-Muthanna Journal of Administrative and Economic Sciences, University of Mosul, College of Administration and Economics, Volume 13, Issue 2, 2023

Title of the Study
The Contribution of Competitive Intelligence in Achieving Sustainable Competitive Advantage - An Exploratory Study.
Importance
The significance of the research lies in how to build a sustainable competitive advantage in a highly competitive environment. It also highlights the concept of competitive intelligence, which focuses on collecting and analyzing data and information about competitors and using it in decision-making processes.
Objectives
1. To familiarize companies with the variables of the study, where the independent variable is competitive intelligence and the dependent variable is competitive advantage, by providing a theoretical framework for them.
2. To test the correlation between competitive intelligence (in general) and sustainable competitive advantage (both in general and individually).
3.To examine the impact of competitive intelligence (in general) on competitive advantage (both individually and in total).

Conclusion
The effective use of human resources, as well as the use of machinery and equipment, allows companies in the study field to produce high-quality materials at lower costs.
Recommendations
It is recommended to adopt the concept of competitive intelligence by gathering data and information about competitors, analyzing them, and using them in the decision-making process.

(2) Hassan, Ibrahim Saleh, Ismail, Firas Mohammed, 2023, "The Impact of Organizational Innovation Climate on Sustainable Competitive Advantage - A Field Study "
Journal of Economics and Administrative Sciences, University of Baghdad, College of Administration and Economics, Volume 29, Issue 137, 2023

Title of the Study
The Impact of Organizational Innovation Climate on Sustainable Competitive Advantage - A Field Study.
Importance
The significance of the research lies in promoting an organizational innovation climate to achieve sustainable competitive advantage through the preservation of information and data to build a collaborative work system.
Objective
The research aims to determine the level of variables in order to clarify the impact of the organizational innovation climate on sustainable competitive advantage.
Conclusion
Data analysis reveals that companies are interested in promoting an innovation climate, establishing a culture of innovation and teamwork, and providing employees with job flexibility and autonomy.
Recommendations
It is recommended to foster a collaborative spirit to solve problems and share ideas with other companies.

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(3) Yaacoub, Faiha Abdullah, Fadel, Khaled Jamal, 2020, "Using Resource Consumption Accounting to Determine Bank Customer Costs "
University of Baghdad, Higher Institute for Local and Financial Studies, Volume 120, Issue 2020

Title of the Study
Using Resource Consumption Accounting to Determine Bank Customer Costs.
Importance
The importance of the research lies in applying a resource consumption accounting system to identify idle capacity and work on utilizing or eliminating it. The presence of idle capacity leads to higher costs, thereby increasing the price of services offered to customers, which negatively impacts profits.
Objective
The research aims to highlight the differences between cost calculation under traditional cost systems and resource consumption accounting systems.
Conclusion
Using resource consumption accounting helps the bank's management to utilize its unused capacity, benefiting from it to reduce the prices of products or services.

First: The Concept of Resource Consumption Accounting

Resource Consumption Accounting (RCA) is a management accounting system that focuses on providing reliable information for cost rationalization and maximizing revenues to enhance a company's productive capacity. The aim is to achieve greater success in the competitive market. RCA combines management accounting techniques with activity-based costing (ABC), emphasizing that costs can be effectively controlled by managing resource levels. Since resources possess the ability to create value, resource management and energy utilization are fundamental to effective cost management (Abbas, 2000:4).

Second: The Emergence of Resource Consumption Accounting

As efforts to develop cost accounting systems continued, and in an attempt to capitalize on the advantages of Activity-Based Costing (ABC), a new concept emerged in 2000, known as Resource Consumption Accounting. This was introduced as an attempt to integrate the information generated by consumed resources and activities within a comprehensive and unified system, providing answers to cost questions based on cause-and-effect relationships. It also aims to provide accurate and detailed information to support decision-making processes (Malik, 2019:173).

(ABC: Activity-Based Costing)

Third: Definitions

Definition	Source	Year
Resource Consumption Accounting is a comprehensive approach to cost management, as it provides essential information on the interrelationships between resources. It offers a forward-looking view based on activity resource requirements according to customer demands (Webber & Clinton, 2004:2).	(Merwe & Keys, 2002)	2022
Resource Consumption Accounting is defined as a management accounting system that classifies costs as fixed and variable. It supports decision-making by providing accurate cost data through the identification of operational capacity.	(Okutmus, 2015, 46)	2015
Resource Consumption Accounting is a method used in management accounting for cost allocation and resource management. It provides useful information to guide the efficient use of resources for cost allocation and increased productivity.	(Yousef, 2019, 36)	2019
Resource Consumption Accounting is an accounting tool for cost management, providing sufficient information on how to efficiently utilize resources and manage idle capacity. This helps increase production, reduce product costs, and ultimately increase company profits and strengthen its position.	(Kheer & Abu Bakr, 2019, 141)	2019
Resource Consumption Accounting is a cost tool that links product costs to actual resources through activities and capacities, based on the	(Tawfiq Mohamed,	2019

principle of causality. It focuses on controlling costs at the resource level rather than at the activity level, and recognizes that each resource has the potential to create value through interaction with other resources.	2019, 199-200)	

Fourth: Characteristics of Resource Consumption Accounting

The characteristics of Resource Consumption Accounting can be summarized as follows: (Awad Allah & Al-Siddiq, 2018:107):

1. Precise Tracking of Costs and Their Paths: This leads to accurate allocation of costs to production processes.
2. Complete Control Over Idle Capacity: Ensures the proper management of idle resources to achieve the company's objectives.
3.Focus on Low-Priced Products: Influences the cost allocation process to identify materials that should be excluded from production.
4.Client-Centric Resource Management: Emphasizes effective resource management and directs investments toward activities that add value to the customer while minimizing investments in non-value-added activities (Mohamed, 2014:168).
5.Balance Between Short-Term and Long-Term Interests: Integrates considerations for both short-term goals and long-term strategic objectives.

Fifth: Criticisms of Resource Consumption Accounting

Among the major obstacles to the implementation of Resource Consumption Accounting (RCA) as highlighted by some researchers are the following :

(White, 2009; Karabayir, 2019; Koc, 2019; Subhlangshu, 2014; Nafaa & Al-Amarah; Balakrishnan et al., 2012):

1. The application of Resource Consumption Accounting is highly complex, which weakens the possibility of adopting this system.
2. It requires the implementation of an Enterprise Resource Planning (ERP) system to provide the detailed information necessary for the application of RCA.

3.The number of institutions that apply Resource Consumption Accounting is very small.

4.It requires substantial training and the expertise of specialized professionals when used.

5.There is difficulty in halting changes and developments, as users must apply RCA in practice.

6. It requires significant time for planning (Al-Dabis, 2015: 334). The application costs are high, and there is a lack of sufficient understanding of the RCA system and how to apply it (Bakhit & Al-Siddiq, 2018: 86-87). This could be ineffective or inappropriate for institutions with infinite activities.

7.It is difficult to define the relative relationship for non-routine activities.

Sixth: Objectives of Resource Consumption Accounting

Resource Consumption Accounting (RCA) has several key objectives, including:

1. Providing reports that help managers make informed decisions.

2. Using the resources available to the economic unit efficiently and optimally (Najaf, 2020: 46).

3.Providing a comprehensive view of the available resources and their costs, focusing on the interrelationships between them and how they can be efficiently utilized.

4.Considering the principle of causality when allocating the costs of consumed resources to products through the activities of the organization. This helps in calculating the product cost more accurately and objectively (Abd al-Daem, 2014: 240; Clinion & Webber, 2004: 12).

5.The goal of this approach is to achieve the best possible utilization of available resources within the organization, leading to a reduction in service costs, better value-added for the customer, and strengthening the competitive position of the economic unit (Vayis, 2016: 46).

Seventh: Requirements for Implementing the Resource Consumption Accounting System

1. A specialized accounting department should be present to measure and define the costs of products.

2. The staff in the accounting department should have the necessary educational and practical qualifications to implement the Resource Consumption Accounting approach (Al-Dabis, 2015: 333-334).

3.The system relies on activity-based costing models and measures resource outputs in terms of quantitative units, such as labor hours, machine cycles, and others.

4.Resource focus should be on a comprehensive perspective to provide clear insights for managers regarding energy usage and its efficiency (Shaswar & Mustafa, 2022: 335).

Eighth: Key Features of Resource Consumption Accounting

1. Exclusion of Fixed Costs: Resource Consumption Accounting excludes fixed costs that cannot be traced, based on the principle of causality.

2. Integration of Cost Systems: The system results from the integration of the Activity-Based Costing (ABC) system and the German cost system (Mohammad Qasim & Mohammad Said, 2021:168; Perkins & Stovall, 2011:47; Aqil Al-Hassnawi, 2019:249; Webber & Clinton, 2004:12).

3.Cost Element Role: The cost element helps in determining whether a certain decision can control costs or not.

4.Separation of Direct and Indirect Costs: In the cost pool, direct and indirect costs are separated (Al-Hassnawi & Obeid, 2019:249).

Ninth: Key Elements of Resource Consumption Accounting System

(Ḥatim: Management Accounting, 2020) (Amer Al-Janabi, 2020:365) (Atrill & McLaney, 2009:138) (Keys & Merwe, 2001:27) (Edmonds et al., p.)

1. Resources: Resources are the primary factors of production, including human, natural, and manufactured resources that must be modified to become usable in meeting customer needs. Resources play a crucial role as they are the cause of cost incurrence.

2. Cost Pools: The lowest level of connection at which costs are aggregated and distributed into a single pool, referred to as a "cost pool." Cost pools are divided into two types:

- Resource Cost Pool
- Activity or Process Cost Pool

3.Interdependencies Between Resources: The Resource Consumption Accounting system does not only focus on the role of activities and cost objectives in resource consumption. This approach goes further to define the relationships between resource groups and how one resource pool benefits from another. For example, the machine and energy pool cannot function without the workers from the human resources pool. The characteristics of these interdependencies include (Merwe & Keys, 2001:27):

- Interdependencies are functions of the resources used.
- Interdependencies are reciprocal relationships, dependent on the output quantities of resources.

Section Two

Sustainable Competitive Advantage

First: Concept

Sustainable competitive advantage is the advanced model of competitive advantage that an organization targets for its market activities. It includes elements that ensure the long-term sustainability of the organization's position. Therefore, the clarification of the concept of sustainable competitive advantage requires understanding three key terms that underpin this concept: (sustainability, competitiveness, advantage). According to the Webster Dictionary, the definitions of these terms are as follows:

-Advantage: It refers to the unique position or superiority of an organization relative to its competitors. Based on this, the researcher defines sustainable competitive advantage as the organization's objective ability to cope with market environmental changes, carefully examine the industry environment, and ultimately maintain its ability to face competitors. The organization's ability to remain and sustain will be clear and evident, representing a core part of the management philosophy and its long-term directions. This advantage enables the organization to differentiate itself and become more influential in the business environment. (Journal of Karbala University, Volume 15, Issue 3, Scientific, 2017).

-Sustainable Competitive Advantage: It refers to the organization’s ability to produce products in a way or through methods that competitors cannot replicate. This results in offering greater perceived value to customers, thus providing the organization with a unique market position. (Journal of Economic and Administrative Sciences, Volume 13, Issue 47, 2007).

Second: Definitions

Definition	Source	Year

The researcher Chaharbaghi defines sustainable competitive advantage as the ability to meet current competitive needs without compromising the organization's ability to meet future competitive demands.	Minyu, 2010, p.27	2010
Barney suggests that an organization possesses a sustainable competitive advantage over its competitors when it implements a strategy that creates more value and competitive advantages, resulting in market share and profitability, in a manner that is asynchronous with current and potential competitors, and which persists over time.	Minyu, 2018, p.101	2018
Kohli and Jaworski define competitive advantage as the results of actions, procedures, and management decisions that lead to superior performance compared to competitors. This is achieved by adopting a strategy of innovation, improving quality, reducing costs, and integrating social and environmental concepts to improve the organization's performance.	Gvimaraes et al., 2018, p.1654	2018

Third: Competitive Intelligence

Competitive intelligence is the organization’s ability to proactively collect, analyze, and distribute information about the competitive environment and competitors. This information is then used in decision-making processes related to the organization’s products and operations in order to achieve sustained superiority over competitors. This is the working definition for the purposes of the current research. (Zalaan, 2017, p.3).

Fourth: Strategies for Sustainable Competitive Advantage

1. Cost Leadership Strategy: This strategy focuses on achieving lower costs compared to competitors by improving productivity, efficiency, and eliminating waste. The goal of this strategy is to offer a product at a lower cost, enabling the organization to compete on price rather than offering unique products.

2. Differentiation Strategy: This strategy seeks to offer products or services to customers in a unique and superior way compared to competitors. This could be through product quality, reliability, after-sales services, availability, or flexibility. The product is differentiated by various

factors such as performance enhancement, quality improvements, features, reliability, convenience, location, or service. The aim is to make price less important for customers.

3.Focus Strategy: This strategy involves the organization selecting a specific market segment and focusing on serving this segment, excluding others. The organization directs all its strategies toward meeting the specific goals of this segment, thus creating a sustainable competitive advantage by concentrating efforts on these goals. (Karrar, Rahab, 2022, pp. 202-226).

Fifth: Characteristics of Competitive Advantage

1. Sustainability: The organization's ability to sustain its competitive advantage depends on the speed at which other organizations are able to imitate it. (Grant, 1991: 125).

2. Continuous Development and Innovation: Strategies based on multiple, interacting sources make it difficult for competitors to replicate, leading to high costs for competitors attempting to imitate. (Werther & Tompor, 2000: 109).

3.Non-replicability: The competitive advantage should be hard or impossible for competitors to imitate. (Lunch, 2000: 152).

4.Constant Renewal: Organizations should constantly create new models of competitive advantage, as older models become widely known and less effective. (Macmillan & Tompor, 2000: 109).

5.Perceived Value: The competitive advantage should not only be valuable to the organization but also perceived as valuable by customers. (Obeid & Hlehil, 2007, Volume: 13, Issue: 17).

Sixth: Dimensions of Sustainable Competitive Advantage

1. Distinctive Efficiency: The resources and capabilities (financial, physical, human, time) that distinguish the organization from its competitors.

2. Quality: Customer satisfaction with the products or services offered by the organization, achieved through adherence to specific standards and specifications that meet customer and market demands.

3.Creativity or Innovation: A cognitive process that combines knowledge and creative work to address real-world challenges and improve continuously. Innovation refers to the application of

new and novel management methods, products, production processes, strategies, and organizational structures within the organization.

4.Responsiveness to Customers and Stakeholders: Offering products or services based on customer needs, which fosters strong relationships, builds customer trust, and leads to long-term relationships with customers. This involves understanding and responding to customer needs and desires more clearly.(Karrar, Rahab, Journal Volume 14, Issue 3, September 2022, pp. 202-226)

Seventh: Competitive Indicators

Organizations need to understand and analyze the state of their competitors, gathering sufficient information about their strengths and weaknesses. Ignoring this information may cause the organization to fall behind competitors as they strengthen their position. Below are some suggested competitive indicators, as proposed by previous researchers:

1. The quality of competitors' products.
2. The speed at which competitors evaluate their products or services.
3.The financial indicators of competitors.
4.The price-quality ratio of competitors' products.
5.Customer satisfaction with competitors.
6. New product introductions by competitors.
7.Competitors' market share.

(Habib & Al-Fekiki, Conference Special Issue, College of Administration and Economics, University of Kufa, 2021).

Eighth: General Principles for Building Competitive Advantage

Four key factors enable an organization to build and sustain a competitive advantage:

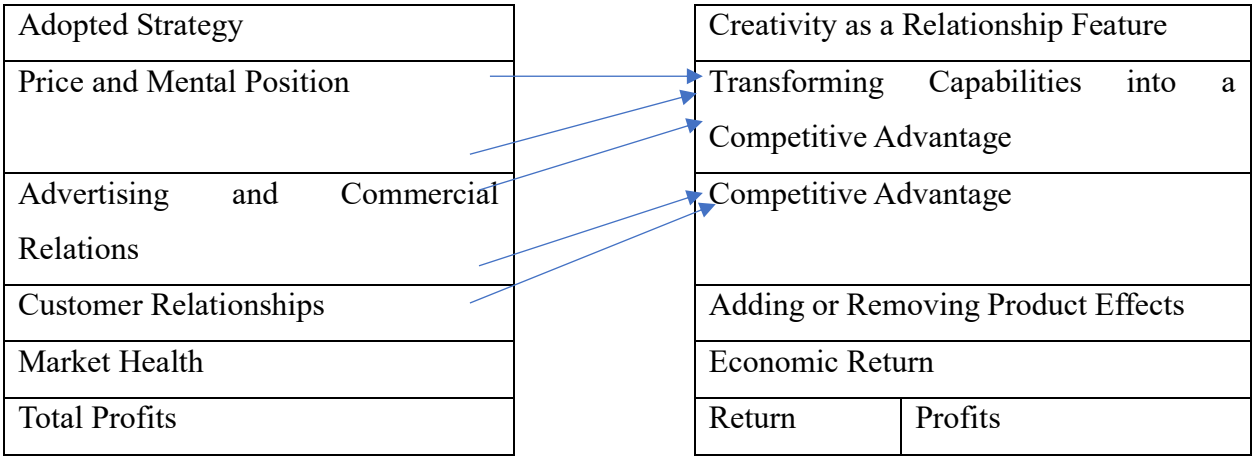
1. Superior Effectiveness.
2. Superior Quality.
3.Superior Differentiation.
4.Customer Responsiveness.

(Journal of Karbala University, Volume 15, Issue 3, Scientific, 2017)

Ninth: How to Build a Sustainable Competitive Advantage

For companies to achieve this direction, they must adopt a strategic approach that links sustainability, in its true sense, with the competitive advantage the organization holds in the business market. This can be achieved by creating a trajectory in the company's operations, as illustrated in Figure 6 below:

Figure 6: How to Build a Sustainable Competitive Advantage



(Source: Al-Bakri, Hamdan, 2013)

Chapter Three: Practical Aspect of the Questionnaire

Overview of Hilla Textile Factory

Hilla Textile Factory is one of the formations of the General Company for Textile and Leather Industries, affiliated with the Ministry of Industry and Minerals. The factory contains five main departments: (Plastic Bags, Medical Products, Hilla Textile, Fabric Textile, and Bable Project). Additionally, it includes the industrial fibers project, which began in 1970 and has undergone continuous development to keep pace with technological advancements. The factory employs about 5,000 workers, engineers, and supervisors, producing 40 million meters of fabrics, including silk, mixed fabrics, and polyester. The factory produces various types of fabrics, textiles, carpets, and a wide range of items covering local needs, such as woolen clothing, men's suits, military uniforms, medical suits, bandages, masks, mattresses, rugs, and various sizes of grain bags. Despite the factory's high production value, the demand for local products remains low due to the lack of taxes on imported goods. The Iraqi industrial sector has witnessed a decline since 2003 due to government neglect of the local industry.

The General Company for Textile and Leather Industries consists of 10 factories across Iraq, all of which are operational. These include the leather factory in Baghdad/Karrada (considered one of the finest in the Arab world), the men's clothing factory in Najaf, the clothing factory in Mosul, the wool and cotton factories, and handmade carpet production in Baghdad/Kadhimiyah. There is also a handmade carpet factory in Hilla, affiliated with Kadhimiyah.

Practical Aspect of the Research

Section One: Describing and Diagnosing the Research Variables

This section discusses the responses of the research sample concerning the studied variables and their diagnosis through the use of statistical methods, including (weighted mean, standard deviation, and response intensity), as follows:

First: Description and Diagnosis of the Independent Variable (Resource Consumption Accounting - RCA)

This part provides a description of the paragraphs related to the independent variable of the study, namely, "Resource Consumption Accounting." It includes the determination of the weighted mean, standard deviation, and response intensity for all the paragraphs concerning this variable. Additionally, the study employs the hypothetical mean of 3 based on the five-point Likert scale to measure the degree of response from the sample, within the verbal estimation of the survey's weights. The hypothetical mean of 3 is calculated as follows:

Hypothetical Mean = (Sum of Scale Weights) ÷ (Number of Categories)

Hypothetical Mean = (1 + 2 + 3 + 4 + 5) ÷ 5 = 3

Response Intensity = Weighted Mean / 5 100

Here is the translation of the provided text into academic English, particularly in the context of business and accounting:

Table(1)

Descriptive Statistics for the Resource Consumption Accounting Variable

Item	Weighted Mean	**Standard Deviation**	**Response Intensity (%)**

1) Resource Consumption Accounting involves separating direct and indirect costs through a cost pool.	3.97	0.91	79%
2) There are strategies to improve the efficiency of resource consumption within the economic unit.	3.82	0.95	76%
3) Resource consumption is regularly measured and monitored within the economic unit.	3.64	0.94	72%
4) Reducing resource consumption can lead to long-term improvement in financial management of the economic unit.	3.48	1.01	69%
5) Resource Consumption Accounting supports the organizational focus on customer satisfaction.	3.51	1.31	70%
6) Resource Consumption Accounting is based on a comprehensive view of natural resources.	3.89	1.01	77%
7) Resource Consumption Accounting focuses on providing useful information that cannot be provided by traditional management accounting methods.	3.33	0.96	66%
Resource Consumption Accounting (Total)	**3.67**	**0.98**	**73%**

Source Prepared by the researcher according to computer results using SPSS.V.27.n = 53.

The sample's opinions reflect a notable attention to Resource Consumption Accounting, which has positively impacted the responses of the research sample. The weighted means for all the items related to this variable were above the hypothetical mean.

From Table (1), we observe that the Resource Consumption Accounting variable achieved a weighted mean of 3.67, which is higher than the hypothetical mean of 3, with a standard deviation of 0.98. This indicates that the organization under study has a comprehensive and integrated cost management system, as it is one of the management accounting methods that combines the best practices from recent developments in the field.

Below is an explanation of the research sample's responses regarding the paragraphs related to Resource Consumption Accounting:

1. Item (1), which measures "Resource Consumption Accounting as the separation of direct and indirect costs through a cost pool," achieved the highest weighted mean of 3.97, which is higher than the hypothetical mean of 3 based on the five-point Likert scale, with a standard deviation of 0.91. This suggests that the organization effectively separates both direct and indirect costs, which enhances its ability to achieve its goals. Furthermore, the response intensity for this item was 79%, the highest among the items, indicating strong adoption of this practice by the research sample.
2. Item (7), which measures "Resource Consumption Accounting focusing on providing useful information that cannot be provided by traditional management accounting methods," had the lowest weighted mean of 3.33, which is still above the hypothetical mean of 3, with a standard deviation of 0.96. This suggests that the information provided by Resource Consumption Accounting did not fully meet the organization's expectations. Additionally, the response intensity for this item was the lowest at 66%, indicating weaker adoption of this practice by the research sample.

Here is the translation of the provided text into academic English, particularly for the context of business and accounting:

Second: Description and Diagnosis of the Dependent Variable (Y) – Sustainable Competitive Advantage

This section provides a description of the items related to the dependent variable in the study (sustainable competitive advantage). The weighted mean, standard deviation, and response intensity for all items of the mentioned variable were calculated. Additionally, the hypothetical mean of 3 was used based on the five-point Likert scale as a standard for measuring the response degree of the sample, in alignment with the verbal evaluation of the survey weights.

Table (2)

Descriptive Statistics for the Sustainable Competitive Advantage Variable

Item	**Weighted Mean**	**Standard Deviation**	**Response Intensity (%)**
1) The economic unit ensures clear and specific strategic plans for its human resources, incorporating concepts of quality in work and service.	3.56	1.15	71%

2) The economic unit emphasizes continuous communication with customers (policyholders) to gather their opinions regarding the quality of the services provided.	3.30	0.99	66%
3) The economic unit strives to apply local and international accreditation and quality standards.	3.58	0.83	71%
4) The products of the economic unit are characterized by lower costs compared to competitors' products.	3.82	1.05	76%
5) The economic unit adopts more advanced manufacturing technologies compared to competitors.	4.05	0.81	81%
6) The economic unit has the ability to produce a range of its products faster than competitors.	3.79	1.01	75%
7) The employees in the economic unit possess a broader range of skills compared to competitors.	3.71	0.90	74%
Sustainable Competitive Advantage (Total)	**3.64**	**1.01**	**73%**

Source Prepared by the researcher based on the computer results using SPSS.V.27.n = 53.

The sample's opinions reflect a considerable attention to the variable of Sustainable Competitive Advantage, which positively impacted the responses of the research sample. The weighted means for all items related to this variable were above the hypothetical mean, with the weighted mean for the Sustainable Competitive Advantage variable being 3.64, which is higher than the hypothetical mean of 3, and with a standard deviation of 1.01. This indicates that the responses of the sample for the items of this variable were generally positive, supported by a response intensity of 73%.

Below is an explanation of the research sample's responses concerning the Sustainable Competitive Advantage variable:

1. Item (5), which measures "The economic unit adopts more advanced manufacturing technologies compared to competitors," achieved the highest weighted mean of 4.05, the highest among the items, and also higher than the hypothetical mean of 3.This indicates that the manufacturing processes are characterized by high technologies. The standard deviation for this

item was 0.81, which reflects strong adoption by the research sample. Furthermore, the response intensity for this item was 81%, the highest among all items related to the sustainable competitive advantage variable.

2. Item (2), which measures "The economic unit emphasizes continuous communication with customers (policyholders) to gather their opinions regarding the quality of the services provided," achieved the lowest weighted mean of 3.30, which is still above the hypothetical mean of 3, with a standard deviation of 0.99. This indicates that this item was less strongly adopted in comparison to the others. Additionally, it had the lowest response intensity of 66%, suggesting weaker adoption of this practice by the sample compared to the other items in the variable.

Second: Analysis and Testing of Correlation and Causal Relationships between Research Variables

This section aims to test the correlation between the variables by calculating the Pearson correlation coefficient, in addition to testing the causal relationship between Resource Consumption Accounting and Sustainable Competitive Advantage using the simple linear regression coefficient (β).

1. Testing the First Hypothesis: (There is a significant correlation between performance evaluation and sustainable competitive advantage)

Table (3) shows the Pearson correlation matrix between these variables. Before testing this hypothesis, Table (3) also indicates the sample size (53) and the type of test (2-tailed). The table's Sig. value refers to the significance test for the correlation coefficient. If a star () appears next to the correlation coefficient, it means the correlation is statistically significant at the 5% level. If two stars () appear, it means the correlation is significant at the 1% level.

To evaluate the strength of the correlation coefficient, the following criteria based on Cohen's guidelines (1977:79-81) are applied:

-Weak correlation: If the correlation coefficient is between 0.10 and 0.29.

-Moderate correlation: If the correlation coefficient is between 0.30 and 0.49.

-Strong correlation: If the correlation coefficient is between 0.50 and 1.

Table (3): Testing the First Hypothesis (Correlation Hypothesis)

Variable	**Pearson Correlation**	**Sig. (2-tailed)**	**N**

Resource Consumption Accounting (Independent Variable)	**0.97** **	0.00**	53
Sustainable Competitive Advantage (Dependent Variable)			

Note Correlation is significant at the 0.01 level (2-tailed).

Source Prepared by the researcher based on the results generated by the SPSS V.27 software.

Table (3) shows that the Pearson correlation coefficient between Resource Consumption Accounting and Sustainable Competitive Advantage is 0.97, which is considered a strong positive correlation (since the value is greater than 0.50). This correlation is statistically significant at the 1% level, indicating a strong positive relationship between the variables under study. The result supports the alternative hypothesis that there is a statistically significant correlation between Resource Consumption Accounting and Sustainable Competitive Advantage.

2. Testing the Second Hypothesis: (There is a significant causal effect of resource consumption accounting on sustainable competitive advantage)

Table (4): Regression Analysis between Resource Consumption Accounting and Sustainable Competitive Advantage

model	B	Beta (Calculated)	t (Calculated)	t (Table) (1%)
Independent Variable: Resource Consumption Accounting	0.53	0.97	7.07	2.46
Dependent Variable: Sustainable Competitive Advantage				
$R^2 = 0.94$	F (Calculated) = 50.09	F (Table) (1%) = 7.31		

Source Prepared by the researcher based on the results generated by the SPSS V.27 software.

From Table (4), we can observe the following:

a. The regression coefficient between Resource Consumption Accounting and Sustainable Competitive Advantage is 0.97.This means that for every one-unit change in the independent variable (Resource Consumption Accounting), the dependent variable (Sustainable Competitive

Advantage) will increase by 0.97 units. The effect is statistically significant since the calculated t-value of 7.07 is higher than the critical value of 2.46 at the 1% significance level.

b. The value of R^2 is approximately 0.94, indicating that Resource Consumption Accounting explains 94% of the variance in the Sustainable Competitive Advantage. The remaining 6% is due to other factors not included in the model.

c. The F value (calculated) is 50.09, which is greater than the critical value of 7.31 at the 1% significance level. This indicates that the regression model is statistically significant.

Based on the analysis of the results from Table (4), the researcher concludes that the second hypothesis is supported. There is a significant causal effect of Resource Consumption Accounting on Sustainable Competitive Advantage.

Chapter Four

Section One: Conclusions

1. The statistical results show that the sample individuals give significant attention to the variable of Resource Consumption Accounting.
2. The statistical results indicate that the sample individuals place considerable focus on the variable of Sustainable Competitive Advantage.
3. There is a strong positive correlation between Resource Consumption Accounting and Sustainable Competitive Advantage.
4. There is a strong and positive effect of Resource Consumption Accounting on Sustainable Competitive Advantage.
5. Resource Consumption Accounting has an impact on the quality of accounting information, as it provides detailed data on resources and their consumption.
6. The effective use of human resources, in addition to the effective use of machinery, equipment, and raw materials, is crucial for the companies in the research field.

Section Two: Recommendations

1. It is necessary to solidify the concepts of Resource Consumption Accounting and Sustainable Competitive Advantage, as these are modern concepts in the fields of accounting and management.

2. Utilize the dimensions of Sustainable Competitive Advantage in the sample study in order to achieve the goal of increasing sales through high-quality products.

3.The researcher recommends the application of Resource Consumption Accounting systems due to its potential for optimal utilization of available resources in the economic unit, as well as the accuracy in cost allocation by tracking the quantities of both used and unused resources.

4.Emphasizing the concept of Resource Consumption Accounting and Sustainable Competitive Advantage is crucial as they are modern and vital concepts in the fields of accounting and management.

5.Promoting a spirit of teamwork for problem-solving and idea exchange with other companies is essential for growth and collaboration.

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