

## The Impact Of Cost Accounting Information On Company Performance: An Exploratory Study In Iraq

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**Abstract.** *The paper aimed to test the role of cost accounting information in feeding and guiding administrative decision makers in a way that contributes to enhancing the overall performance of the company. As the internal information provided by cost accounting works to clarify the strengths and weaknesses in detail within the company's organizational structure, allowing management to gain a broader perspective. And more accurate in the areas of improving the company's performance. Cost accounting information has been identified in two categories: planning information and control information, while the company's performance has been identified in terms of productivity, cost reduction control, and profitability. The paper community has been represented by accountants working in a number of Iraqi industrial companies. A questionnaire form was prepared by the researcher to achieve the purpose of collecting the data necessary to measure the research variables, in accordance with the descriptive analytical approach adopted in the current research. The number of questionnaires retrieved and suitable for analysis reached 72 forms. The research reached a number of conclusions, the most important of which is that accounting information Costs enhance the efficiency and effectiveness of companies, which contributes to maximizing the company's performance. Given the stability of this positive effect, it follows that there is a need to increase attention to the quality of cost accounting information and the scope of its production in companies. This information contributes to reaching a more accurate measurement of the cost of the product and thus contributes to determining more competitive prices.*

**Keywords:** *cost accounting information, company performance, planning, control.*

### Introduction

The practices of the production process in any industrial company require incurring costs that reflect the value consumed from the production elements up to the final product cost (Cordovil et al., 2024). And it is the responsibility of cost accounting to provide sufficient information about those costs in an accurate and appropriate manner, which contributes to rationalizing administrative decisions related to the product in terms of pricing, planning and control and evaluation (Sinaga et al., 2024). In a way that contributes to achieving the highest level of optimal spending and harnessing resources to achieve results efficiently and effectively, thus maximizing the company's business performance (Juma & Eze, 2024). Anh & Thu, (2023) It is believed that the practices of controlling operations and procedures are among the basic responsibilities of the company, especially its management, and therefore it is responsible for controlling and managing costs. Although there are different control systems such as production control, quality control, and inventory control, the cost information system is of great importance because it monitors the results of these systems and their work performance.

Cost accounting within the accounting system of the company deals with the procedures of recording, classifying, analyzing and allocating costs to goods and services. It is necessary within

any company as it provides management with accurate and timely cost information, in addition to being essential for control procedures and its information is essential for rationalizing administrative decisions within the company. It also helps in determining the cost of the product of goods and services, in addition to helping in providing information about the profitability of the product and the profitability of the customer and analyzing that profitability. (Chaudhary & Piyush, 2023). The cost accounting system is primarily designed to track the cost of the company's activities and then analyze these costs in order to provide appropriate and necessary information to management to rationalize its decisions related to that cost.

Cost accounting collects, analyses, summarizes and evaluates various alternative courses of action. It provides information to management, thus acting as an advisor to it to make the most rational decisions and paths. In addition, the cost accounting information, which is detailed, serves control processes as well as future planning. Cost accounting information, which is the output of the cost accounting system, is one of the important and main requirements for effective decision-making by management (Ezeala & Apete, 2023).

Some studies have examined the determinants of firm performance, in terms of the impact of organizational structure (Shafie et al., 2018), the impact of corporate governance (Tun et al., 2024) and the impact of competitive strategies (Karyani & Rossieta 2018). While other studies have tested the impact of cost and management accounting information on effective planning and decision making (Jassem, 2019) as well as on competitive strategy selection (Pu et al., 2023). Many studies have been interested in testing the relationship between cost accounting information and company performance (Hutchinson, 2010), (Ditkaew, 2018), (Kludacz-Alessandri, M. 2020), (Ezeala & Apete, 2023), (Anh & Thu, 2023). The study (Hutchinson, 2010) tested the relationship of cost accounting information and simulated the impact of the change in the design of the cost accounting system and the information resulting from it on the company's manufacturing performance. While the study (Ezeala & Apete, 2023) focused on testing the positive role Cost accounting information helps maximize the company's value, while the study (Anh & Thu, 2023) highlights the effective role of planning and controlling cost accounting information in rationalizing administrative decisions and decision-making processes, which contributes to enhancing the company's performance. The study (Bessong et al. 2019) also tested the role of social cost accounting information in enhancing the company's performance and increasing the productivity of its employees, and its results indicated a positive and important role. The study

(Kludacz-Alessandri, M. 2020) concluded that the quality of cost accounting information supports the adoption of management accounting practices, which is reflected in improving the performance of Polish and English hospitals. The basis of quality performance is based on the quality of decisions based on reliable and appropriate cost accounting information. A study (Ditkaew, 2018) showed that cost information resulting from the application of cost management techniques contributes to enhancing the effectiveness of internal control and leads to making reliable management decisions in Thai industrial companies, thus enhancing the performance of those companies in the business environment, and this cost information must be appropriate, reliable and complete. Accurate, clear, concise, timely, understandable, accessible, verifiable, economical, flexible and safe in order to enhance the reliability of decision making and thus enhance the company's performance.

The results of the study (Anh et al, 2023: 1) confirmed that there is a direct relationship and a significant impact resulting from the use of cost accounting information on the performance of the Vietnamese companies included in the study.. The study sample companies recommended making use of cost accounting information for the purposes of planning, control, and decision-making, which will be reflected positively in improving their performance.

The study (Adu-Gyamfi et al., 2020) indicated that the accounting information resulting from the cost system and management accounting practices and techniques helps the company's management to plan operating costs as well as in planning and control to achieve optimal performance of the company (Trung & Nguyen, 2023). Also confirm that cost and administrative accounting information systems provide information to managers that enable them to protect and preserve the company's assets. This information is also useful in improving administrative decisions to achieve business goals and then improve companies' performance.

Based on the above, the research aims to test the extent of the impact of cost accounting information in improving the company's performance in the sector of Iraqi industrial companies listed on the Iraqi Stock Exchange. The local Iraqi environment was chosen as a field of study due to the shortcomings of studies that address the subject of cost accounting information in the Iraqi environment. As well as the importance of this information in motivating local companies to pay more attention to it to enhance their performance in the face of competing foreign companies that are widely invading the Iraqi markets.

Therefore, the current research aims to highlight the importance of cost accounting information and its impact on enhancing companies' performance. Therefore, the importance of the research stems from providing a theoretical framework for the relationship between this information and companies' performance. In addition to verifying this relationship within the local Iraqi environment within the industrial companies sector. These results may contribute to modifying the policies and practices of the management of Iraqi industrial companies to pay more attention to the quality and scope of cost accounting information due to its expected importance in their current and future performance. The research results may also contribute to attracting researchers to test this relationship in different environments and sectors and in the presence of different factors that may modify the direction and strength of this relationship.

## **Literature Review and Developing Hypotheses**

### **2. 1. Cost accounting information**

Significant changes in the business environment at the end of the twentieth century and the beginning of the twenty-first century made it possible to develop and apply modern cost accounting methods, the main purpose of which is to give the required information to management regarding the effectiveness of certain products, projects, activities, consumers, centers of responsibility, etc. (Perčević & Hladika, 2016). As Jassem, (2019) pointed out, in the highly competitive global business environment, accurate and dynamic cost accounting information has become essential to support effective planning and decision making. Pu et al., (2023) shows that the use of strategic cost and management accounting information has a positive impact on the choice of competitive strategies.

It reflects the traditional use of cost accounting in determining business results and proving costs (Anh & Thu, 2023), while the contemporary perspective of this information goes beyond this range to reflect the real benefit of this information in achieving the maximum efficiency and effectiveness in the company's business.

If management is able to measure costs correctly, this will lead to making better planning and control decisions, as the company depends on cost accounting information in strategic and tactical planning in addition to determining the cost of production (Hutchinson, 2010).

Chaudhary & Piyush, (2023) view the cost accounting system provides management with various accounting methods that help it in its functions related to planning, control and performance

evaluation, so it is considered a system for administrative planning and control. This system also produces and displays information for the purpose of making administrative decisions. In the face of fierce competition within the business environment, cost accounting has a fundamental, strategic and increasing role. It helps companies clarify appropriate ways to reduce costs, save expenses and reduce them in exchange for increasing production. In addition to its contribution to rationalizing decisions related to investment budget strategies, pricing, continuous improvement, innovation and product development. In general, cost accounting, as a branch of accounting, contributes fundamentally to providing appropriate information to the company's management, which contributes to making rational and intelligent decisions that will increase profitability and achieve success in the long term.

Cost accounting is also one of the most important accounting systems in company management and has a positive impact in general on its performance. It helps in introducing operational improvements and making strategic decisions, which is reflected in financial performance, improving profitability and increasing sales. Cost accounting provides information that leads to reducing costs, improving the use of materials and avoiding... Costs, in most cases, lead to changes in product cost information, and play a major role in determining selling prices (Laitinen, 2014).

Cost accounting also provides financial and non-financial information related to the company's acquisition of resources or their consumption, because of its great importance in the entire company's accounting information system as it provides information to the subsystems, whether financial accounting or administrative accounting, especially for internal purposes of planning and control (Nwadiubu & Ogomegbunam, 2022).

The cost accounting system is also an important resource for the company because it works to provide management with the information necessary to make decisions related to administrative planning and control practices. It also plays a major role in providing an integrated vision for the company to align its capabilities with the resources available to it and its areas of work for the purpose of optimal use of these resources in the event of use data and information efficiently and effectively (Ezeala & Apete, 2023). The function of the cost system is the quality of cost accounting information provided by the cost system (Kludacz-Alessandri, 2020).

Cost information is extremely important for planning, leadership and control. Executives should pay attention to the cost information of a product or service whether it is self-produced or

commercial. It is necessary to know recording and accounting systems that are accurate, reliable and useful for users' business decisions, such as price setting, cost-volume-profit analysis, break-even analysis, etc. Cost information is useful for executives in all sectors and in the industrial sector in particular in the era of high competitiveness. Information is considered a vital resource in the company because it is capable of creating competitive advantages. Accordingly, one of the most important benefits achieved by cost information for the company resulting from the cost and management accounting system is the following (Ditkaew, 2018):

- a. It enables the company to have a valuable and useful resource in reducing weaknesses in setting prices of products and services and operating cost.
- b. Each company has its own characteristics and culture that reflect its strengths, so effective cost management information is often scarce.
- c. The difference between companies results in the issue of difficulty of imitation. Therefore, there are companies that can produce appropriate and effective cost management information, but on the other hand, competitors may not be able to produce information with the same effectiveness and appropriateness.
- d. Cost management information can achieve customer satisfaction by adding value to them. With the presence of this competitive information in the hands of the company's management, this enables them to monitor the company's operations, ensure effective internal control, and make more rational decisions, which is reflected in enhancing the company's competitive advantages and performance.

Anh & Thu, (2023) defined cost accounting information into three categories: (planning information, control information, and evaluation and decision-making information).

In general, the administrative decisions that are taken in the company by adopting cost accounting information will either be planning decisions or control decisions. Therefore, the cost accounting information will be planning information and control information, given that it is first and foremost used to make decisions related to planning and decisions related to control. Therefore, cost accounting information will provide There are two categories: planning information and control information.

### **2. 1. 1. Cost accounting information for planning**

The main function of costing systems is to support managerial decision-making. More detailed and better-classified cost information is more useful and relevant to managers, so this information must be provided by a developed cost accounting system. The scope and quality of the costing system also affects its use in supporting strategic and operational decisions. The scope of the costing system in terms of implementing the company's various business plans necessary for the management process (such as product design and pricing, cost budgeting, and process improvements) and meeting needs related to traditional performance evaluation. Needs cost information to support operational and strategic decisions. Also, the function of the cost system is an important factor that reflects the use of cost information in the various planning and controlling decision areas of the company (Kludacz-Alessandri, 2020).

The decision-making process plays a crucial role for executives in managing organizational business, and therefore, obtaining good information and possessing tools that can access, collect, and analyze data helps executives consider many options correctly and quickly. Perhaps the most prominent of this information is Information provided by the cost and administrative information system. The quality of planning or control decision-making depends primarily on the quality of cost and administrative information (Ditkaew, 2018: 60).

Cost accounting information plays an important role in the cost estimation and resource allocation process, which contributes to the company's effective planning process as well as providing assistance in other aspects such as predicting risks and identifying potential opportunities (Anh et al., 2023).

Cost accounting, with its planning information, supports managerial decisions related to the company's pricing strategies, capital investments, and product development, thus enhancing the effectiveness of long-term managerial decisions in achieving development and increasing profitability (Chaudhary & Piyush, 2023). Administrative decisions depend mainly on planning cost accounting information, given the importance of the expected description conveyed through this information in clarifying the future and strategic vision of the company's management (Ezeala & Apete, 2023).

## **2. 1. 2. Cost accounting information for control**

Cost and management accounting works to provide control information by supporting a set of methods and procedures that help in managing operating expenses and ensuring that expenses do not exceed a certain limit (Chaudhary & Piyush, 2023). Cost control includes a wide range of cost accounting methods and administrative techniques with the aim of improving efficiency. Company cost, as companies use cost control strategies to monitor, evaluate, and improve the efficiency of certain aspects of their operations, such as departments, activities, and production lines. Cost control is a practice through which the cost of the company's actual activity is compared with the cost specified in advance or planned (within budgets or standards) in order to determine whether the cost is as expected. If expenses and costs deviate from the company's goal and move away from this goal, the cost control system helps in regulating this trend and eliminating deviations, as the CEO bears responsibility for making administrative decisions based on Control cost accounting information to initiate executive procedures to eliminate deviations. The cost accountant draws the attention of the executive director to the specific moment in which he must take the necessary measures to control the cost, which includes all methods and strategies used to reduce the cost of implementing the process or activity. Within cost control, the cost control is determined. The desired goal or to be achieved, and then leading the company to achieve that goal.

Providing cost information for control is important for managers to monitor their business activities effectively. This information must be detailed about costs, selling prices, and planned profits, as well as resource consumption in cost centers, and explain the difference between the estimated cost and the actual cost, the reasons for the difference. And the cost center responsible for generating cost, and meeting managers' needs for information on surplus production capacity for each activity within the company to analyze cost fluctuations and determine effective control strategies. Cost accounting works to collect, analyze, summarize, and evaluate alternative business plans and indicate the best plan to achieve the company's goals. Cost accounting provides detailed information about the cost that the company's management needs to control its various plans necessary to carry out its work (Ezeala & Apete, 2023).

## **2. 2. Company performance**

Performance is defined as a series of activities related to a specialized function or partial activity carried out by management to achieve a specific goal (Adu-Gyamfi et al., 2020). It is also known as the level to which companies reach and are able to meet the needs of both stakeholders and their own needs, which ensures their Survival and thus improving business performance (Alsoboa et al., 2015). Tun et al. (2024) investigated the relationship between good corporate governance disclosures and company performance in Malaysian companies. The empirical results of the study (Karyani & Rossieta 2018) indicate that although both cost leadership and differentiation strategies have positive effects on concurrent performance, only the cost leadership strategy allows the bank to obtain sustained superior performance in the subsequent period. While Shafie et al., (2018) indicated that the organizational structure of companies and the characteristics of its mechanism of operation and production of accounting information affect the company's financial performance. The use of cost accounting information to serve the company's performance is a crucial and necessary issue (Hutchinson, 2010), (Ditkaew, 2018), (Kludacz-Alessandri, 2020), (Ezeala & Apete, 2023), (Anh & Thu, 2023).

A study (Anh & Thu, 2023) indicated that there is a positive moral effect of using cost accounting information on improving the company's performance, both financial and non-financial, in Vietnamese companies, and confirmed that cost accounting information can be used for various purposes, including planning, evaluating, and taking... Decision and cost control, which is reflected in improving the company's performance and value as a whole. The study defined the company's performance within three dimensions: productivity, cost control and reduction, and profitability.

The study (Kludacz-Alessandri, 2020) indicated that the company's performance, which revolves around the effects of cost accounting information, could be represented by profitability, cost optimization, efficient use of resources, customer satisfaction, and quality of service. While it indicates (Hutchinson, 2010) indicated that cost accounting information supports the company's performance, which is measured within three performance indicators: demand fulfillment rate, cycle time, and net operating income. The results of the study (Ezeala & Apete, 2023) show that cost accounting information has an impact. Positive in maximizing the company's value by improving its performance for Nigerian small and medium-sized companies, as this information contributes to rationalizing strategic management decisions. The study identified three dimensions

as proxies for the company's value and performance, which are contribution margin, sales value, and customer satisfaction.

Gamerov & Mattsson, (2017) pointed out that cost accounting information, especially cost drivers information related to the activity-based costing system, can be used by management in determining the causes that arise the cost and then the possibility of monitoring and controlling the emerging costs and reducing them as much as possible, including This is reflected in improving the company's performance. The study (Ditkaew, 2018) concluded that without the presence of cost and administrative accounting information, this leads to the failure of the company and a decline in its performance. (Kludacz-Alessandri, 2020) indicates that in order to improve performance, managers must use cost information in their various planning and control decisions, and in order to use better cost information, they must create an integrated cost information system.

While (Chaudhary & Piyush, 2023) believe that the lack of a cost accounting information system in any company could have a negative impact on the profits of that company, and stress that the efficiency of the company's performance depends mainly on the effectiveness of producing cost accounting information, cost accounting information is more useful to the decision maker compared to information produced from other systems, which leads to better company performance.

Laitinen (2014) believes that cost information leads to reducing costs and increasing sales, and this is reflected in improving the company's performance by achieving growth and profitability. Identified areas where cost accounting information for planning and control contributes to supporting the company's performance by rationalizing operational and strategic management decisions related to the following:

- a. Product pricing (Chaudhary & Piyush, 2023)
- b. Setting budgets (Chaudhary & Piyush, 2023)
- c. Manufacturing methods (Chaudhary & Piyush, 2023)
- d. Cost reduction (Ezeala & Apete, 2023)
- e. Improving process time management (Hutchinson, 2010)

Accordingly, planning and controlling cost accounting information is linked to the company's performance in the areas of efficiency and productivity, cost control and reduction, and profitability.

### **2. 2. 1. The relationship of cost accounting information to performance efficiency and productivity**

In order to determine efficiency in performance, the resources consumed are calculated relative to production, as the results obtained are compared with the resources used, while productivity is calculated as a ratio between actual production to the production factors used to achieve it.

Cost information is of distinct importance in supporting the company's resource utilization operations, whether by providing information for cost planning or information for cost control, which contributes significantly to efficient performance (Ditkaew, 2018).

Cost accounting information guides resource consumption processes by supporting managerial decisions related to them (Kludacz-Alessandri, 2020).

Chaudhary and Piyush (2023) believe that cost accounting systems and the information resulting from them, whether related to planning or control, guide management in detecting areas of shortcomings as well as areas of improvement that are likely to be performed, whether within production processes or service provision. In addition, the effectiveness included in the cost accounting system guides management and provides it with various and different visions about the profitability of goods and services as well as with regard to the profitability of production lines. These visions are the result of the information provided by cost accounting, which managers use by examining them in order to make decisions related to allocating resources, manufacturing, or stopping a production line, or to identify profitable products from unprofitable ones and to conduct strategic planning for the company.

Therefore, the first main research hypothesis can be formulated as follows:

(H1). There is a statistically significant effect of cost accounting information on performance efficiency and productivity.

### **2. 2. 2. The relationship of cost accounting information to controlling and reducing costs**

Cost accounting, through its various information, contributes to rationalizing administrative decisions related to reducing expenses and reducing costs, by highlighting possible measures to reduce the manufacturing cycle period and control costs (Hutchinson, 2010).

Cost accounting information contributes to finding the optimal solution for the company's management to exploit resources in a way that enhances its capabilities to reduce costs (Ezeala & Apete, 2023). Control cost information is also important for managers, enabling them to conduct

control over the performance of the company's activities more effectively, as this information includes information about costs, selling prices, profits, planning, information about resource consumption in cost centers, as well as information about the idle capacity of all activities, analyzing cost changes, and determining effective control strategies (Anh et al, 2023). Chaudhary & Piyush, (2023) believe that cost accounting information works to rationalize administrative decisions that reduce expenses and avoid waste during the production process and even during sales and distribution operations. Through this information, the cost element is controlled (such as materials, labor, and overhead) and worker behavior strategically through a range of techniques and procedures.

Therefore, the second main research hypothesis can be formulated as follows:

(H2). There is a statistically significant effect of cost accounting information on reducing costs.

### **2. 2. 3. The relationship of cost accounting information to the company's profitability**

Providing the highest quality cost accounting information is fundamentally and importantly crucial to the effectiveness of achieving profitability in the company (Hutchinson, 2010).

The results of the study (Chaudhary & Piyush, 2023) indicate that cost control has a positive impact on the company's profitability. This means that cost accounting information that serves administrative decisions related to cost control will contribute to improving the efficient use of the company's resources, which Reflects the maximization of the company's profitability.

Through regulatory cost information, the company's managers will be more able to control and monitor expenses, which will be reflected in enhancing the company's profitability (Ditkaew, 2018). It is worth noting that the effective price depends on the market forces represented by demand, competition, and costs. Price and volume represent two basic elements in the revenue equation. If the company is able to achieve an effective price, the revenues of its products will be maximized, and thus its profitability will be maximized (Ezeala & Apete, 2023).

Therefore, the third main research hypothesis can be formulated as follows:

(H3). There is a statistically significant effect of cost accounting information on the company's profitability.

## **Research methodology**

Previous studies have documented the importance of cost information in enhancing administrative decisions, whether planning or controlling, as this information contributes to providing information that contributes to cost planning as well as to controlling that cost. Which contributes significantly to the company's performance, but this type of relationship has not been tested in The Iraqi local environment, and with calls from previous studies to test these relationships in different developed and developing environments, the current research is a response to those calls.

### **3. 1. Research population and sample**

The research community was represented by accountants working in Iraqi industrial companies active in the Iraqi Stock Exchange, numbering 18 companies. The individuals investigated were contacted directly through personal interviews as well as through electronic communication via the Internet.

### **3. 2. Collect data and measure variables**

The main tool for collecting research data was the questionnaire form, which was prepared by the researcher using the study (Anh & Thu, 2023) to achieve the purpose of collecting the data necessary to measure the research variables, in accordance with the descriptive analytical approach adopted in the current research, and the number of forms reached 72 questionnaires were recovered and suitable for analysis, out of 100 questionnaires that were sent, one month after sending them. The effective response rate was 72%, and the response rate is acceptable for the current research. The questionnaire included two main axes, the first related to demographic information related to educational certificate and years of service. The sample included the equivalent of 95.8% of its members with a minimum of bachelor's degrees, while the individuals with experience exceeding 5 years represented 75% of the total sample, while the second axis included measuring the research variables, as it allocated 10 statements to measure information cost and management accounting is divided into 5 phrases each for planning cost information and control cost information. Which express the independent variable in the current research, while the dependent variable, which is the company's performance, was expressed through 9 phrases, 3 phrases for each of the efficiency and productivity dimensions, and after cost reduction. And after profitability.

### **3. 3. Research model**

The statistical tests for the basic data of the research sample and its variables were the arithmetic mean, standard deviation, and correlation coefficient. The research hypotheses were tested by adopting Ordinary Least Squares (OLS) regression analysis. According to the three research hypotheses, three equations were prepared as follows:

$$1: FP1 = \beta01 + \beta1ICP + \beta2ICC + \varepsilon$$

$$2: FP2 = \beta02 + \beta3ICP + \beta4ICC + \varepsilon$$

$$3: FP3 = \beta03 + \beta5ICP + \beta6ICC + \varepsilon$$

Where (FP1) refers to the first proxy for the company's performance (FP), which is the efficiency and productivity of performance, while (FP2) represents the second proxy for the company's performance. Which is represented by cost reduction, and (FP3) represents the third proxy for the company's performance, which is represented by the company's profitability. While (ICP) indicates (ICC) refers to planning cost information, which is the first proxy for cost accounting information (IC), and (ICC) refers to control cost information, which is the second proxy for cost accounting information. ( $\beta$ ) refers to the regression coefficients, and ( $\varepsilon$ ) refers to the error percentage in the regression equation.

### 3. 4. Testing the reliability and validity of the research tool

To test the validity of the questionnaire, the validity coefficient was adopted, which represents the square root of the value of (Cronbach's Alpha). Table (1) shows that the validity coefficient for the variables and dimensions of the research ranged between (0.852 - 0.932). This indicates the validity of the measurement for the questionnaire. As for the stability of the measurement for the questionnaire, the questionnaire was tested using the Cronbach's Alpha coefficient, as Table (1) shows that the values of the Cronbach's Alpha coefficient fall between (0.726 - 0.869), which indicates the stability of the questionnaire measurement, so that it can be adopted in subsequent tests in the research.

Table (1): Testing the questionnaire form

Variables and dimensions	Honesty coefficient	(Cronbach's Alpha)
ICP	0.852	0.726
ICC	0.861	0.742
IC	0.870	0.757
FP1	0.876	0.767
FP2	0.932	0.869

<b>FP3</b>	<b>0.893</b>	<b>0.797</b>
<b>FP</b>	<b>0.901</b>	<b>0.811</b>

Source: The table was prepared by the researcher.

### Discuss the results

Table (2) shows the descriptive analysis of the research variables and dimensions, through the arithmetic mean and standard deviation.

**Table (2): Descriptive analysis of the research variables and dimensions**

<b>Variables and dimensions</b>	<b>standard deviation</b>	<b>Torsion coefficient</b>	<b>Arithmetic mean</b>
<b>ICP</b>	<b>0.418</b>	<b>-0.787</b>	<b>4.349</b>
<b>ICC</b>	<b>0.402</b>	<b>-0.480</b>	<b>4.436</b>
<b>IC</b>	<b>0.513</b>	<b>-0.159</b>	<b>4.261</b>
<b>FP1</b>	<b>0.443</b>	<b>-0.224</b>	<b>4.110</b>
<b>FP2</b>	<b>0.591</b>	<b>-0.464</b>	<b>4.102</b>
<b>FP3</b>	<b>0.541</b>	<b>-0.460</b>	<b>4.134</b>
<b>FP</b>	<b>0.540</b>	<b>-0.384</b>	<b>4.093</b>

Source: The table was prepared by the researcher.

Table (2) shows, through the arithmetic mean, that there is a high level of awareness among the sample members about the importance of planning and control cost accounting information. It is noted that there is a level of awareness of the planning cost accounting information that is lower than that of control, as a function of the arithmetic mean. It is also noted that there is a high level of awareness regarding the importance of performance The company according to its three dimensions, noting that there is a greater focus on the importance of the profitability dimension than the rest of the dimensions, followed by the efficiency and productivity dimension of performance, and then after cost reduction. It is also noted from the low standard deviation value of the variables and dimensions that there is consistency in the answers of the sample members, which indicates the absence Dispersion and variation in these answers, which enhances the possibility of generalizing the result of the arithmetic mean at the level of the sample as a whole.

It is also noted from Table (2) that the values of the skewness coefficient were within the standard range for this coefficient (+1 to -1), which means that the data for all research dimensions and measures are distributed normally, and thus it is possible to adopt parametric statistical tools in testing hypotheses.

While Table (3) indicates the values of the correlation coefficient between the dimensions and variables of the research, it is noted that there is a positive moral correlation between the planning cost information and each of the three dimensions of the company's performance. The correlation was in terms of the order of the strongest with the efficiency and productivity dimension of performance, followed by the cost reduction dimension. Then After profitability, while information on regulatory costs recorded a smaller positive significant relationship with the company's performance in its three dimensions, the correlation was in order of the strongest with the efficiency and productivity dimension of performance, followed by the cost reduction dimension and then the profitability dimension.

Table (3): Correlation coefficient values between the research variables

FP	FP3	FP2	FP1	Variables	
0.529**	0.475**	0.647**	0.697**	Pearson	ICP
0.000	0.000	.000	0.000	Prob	
0.465**	0.478**	0.557**	0.631**	Pearson	ICC
0.000	0.000	0.000	0.000	Prob	
0.498**	0.399**	0.617**	0.639**	Pearson	IC
0.000	0.001	0.000	0.000	Prob	

Source: The table was prepared by the researcher.

Table (4) shows the results of analyzing the first equation of the regression equation model, which shows the possibility of estimating the efficiency and productivity of the company's performance, which is the first proxy for the company's performance in terms of both planning cost information and supervisory cost information, as the (F) value of (25.016) indicates a lower level of moral significance. From (5%) on the validity of the regression equation model, meaning the possibility of estimating the efficiency and productivity of the company's performance in terms of the planning and control costs information, while the significance of (T) indicates at a significance level less than (5%) that the planning and control costs information significantly affects the efficiency and productivity. Performance. A positive beta ( $\beta$ ) indicates that the effect is positive and that the effect of planning cost information is smaller than the effect of control cost information. The adjusted coefficient of determination (Adjusted R2) of (0.404) indicates that planning and control cost information explains (40.4%). Of the changes occurring in the efficiency

and productivity of the company's performance, meaning accepting the first main hypothesis of the research,

Table 4: The three regression equation models

Adjusted R <sup>2</sup>	Sig.	F	Sig.	T	$\beta$	Variables	Equation
0.404	0.000	25.016	0.033	2.174	0.266	ICP	1
			0.001	3.612	0.441	ICC	
0.219	0.000	10.942	0.008	2.719	0.380	ICP	2
			0.042	2.058	0.248	ICC	
0.259	0.000	13.433	0.042	2.068	0.241	ICP	3
			0.015	2.486	0.338	ICC	

Source: The table was prepared by the researcher.

Table (4) also shows the results of the analysis of the second equation of the regression equation model, which shows the possibility of estimating the company's cost reduction, which is the second proxy for the company's performance, in terms of both planning cost information and supervisory cost information, as the (F) value of (10.942) indicates a lower level of moral significance. From (5%) on the validity of the regression equation model, meaning the possibility of estimating the reduction of the company's costs in terms of the planning and control costs information, while the significance of (T) indicates at a level of significance less than (5%) that the planning and control costs information significantly affects the reduction of the company's costs. A positive beta ( $\beta$ ) indicates that the effect is positive and that the effect of planning cost information is greater than the effect of control cost information. The adjusted coefficient of determination (Adjusted R<sup>2</sup>) of (0.219) also indicates that planning and control cost information explains (21.9%) of Changes occurring in reducing the company's costs, meaning acceptance of the second main hypothesis of the research. Table (4) also shows the results of the analysis of the third equation of the regression equation model, which shows the possibility of estimating the company's profitability. Which is the third proxy for the company's performance in terms of both planning cost information and control cost information, as it indicates the value of (F) of (13.433) is at a significance level of less than (5%) on the validity of the regression equation model. Meaning the possibility of estimating the company's profitability in terms of planning and control costs information. While the significance of (T) indicates a significance level of less than (5%),

that planning and control costs information significantly affects the company's profitability. A positive beta ( $\beta$ ) indicates that the effect is positive and that the effect of planning costs information is smaller than the effect of control costs information. The adjusted coefficient of determination (Adjusted  $R^2$ ) of (0.259) indicates that information on planning and control costs explains 25.9% of the changes occurring in the company's profitability, meaning acceptance of the third main hypothesis of the research.

## **Conclusions**

The results of the research focused on showing the importance of cost accounting information in enhancing the company's performance. The results of the research concluded that cost accounting information. Whether related to the planning aspect of the cost as well as related to the controlling aspect of the cost. This information has a moral and positive impact on the company's performance.

**Implications:** as it enhances the company's ability to improving the process of exploiting its materials and then using those resources efficiently and productively in a way that contributes to improving performance. This information also helps in cost planning and control, which enhances the guarantees of reducing costs, whether in the short term within operational operations or in the long term within the company's strategic plans, which enhances the company's performance.

**Contributions:** This information, through its role in improving the efficiency and productivity of performance as well as in reducing costs, contributes significantly to improving the company's profitability. Planning and control costs information also contributes to enhancing the company's profitability by enhancing the perspective on product pricing and customer value and keeping pace with the competitive environment in the market.

**Limitations:** As for the most important restrictions that limits the possibility of generalizing its results widely, it is the selection of only industrial companies listed in the Iraqi Stock Exchange, excluding the rest of the industrial companies operating in the local market in Iraq. The focus was also on active companies that are characterised by continuous publication of financial reports without interruption, and inactive companies were excluded.

**Scope for future studies:** For the study of future research, it is possible to address sectors other than the industrial sector in the Iraqi environment, or to take all industrial companies. It is also possible to take additional variables in addition to cost accounting information in their impact on the company's performance, such as the company's organizational structure, company culture, company characteristics, and information technology in the company. Which can affect cost and administrative accounting information, which is reflected in the company's performance.

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