Al-Furat Journal of Innovations in Management Sciences

ATU- AFJIMS, Volume: 1, Issue: 3, 3 July 2025

# The Role of Resource Consumption Accounting in Enhancing Cost Management - An Applied Study in the Alexandria Body Factory

Muhammad Abd al-Mun'im Hamza al-Maamouri[1], (Dr. Khudhair Majeed Allawi[2]
[1 2] Al-Furat Al-Awsat Technical University (ATU), Technical College of Management Kufa, Accounting Techniques Department, 54003, Najaf, Iraq
[1] mohamed.hamza.cku@student.atu.edu.iq
[2] khud.dw@atu.edu.iq
*Corresponding Contact: mohamed.hamza.cku@student.atu.edu.iq

***Abstract*:** The research aims to demonstrate resource consumption accounting and its role in enhancing cost management and its application in one of the Iraqi industrial economic units, the Body Factory. This is achieved by utilizing resource consumption accounting as one of the most important strategic cost management techniques, which provides more accurate and appropriate information about resources and detects idle capacity. The researcher reached a set of conclusions, the most important of which are:
Measuring resource consumption accounting leads to achieving the goal of the economic unit and thus achieving the purpose of cost management by focusing on the activity requirements of the unit's resources. The economic unit upon which products depend, with the aim of managing costs and achieving customer satisfaction and cost savings through reducing energy consumption. In light of these conclusions, a set of recommendations were made, the most important of which are:
Work to measure costs according to resource consumption accounting with the aim of providing information aimed at rationalizing resource management and planning to preserve resources and optimize their use. It is also necessary to establish a database that provides information at the operational and strategic levels to enhance cost management.

***Keywords***: *Resource Consumption Accounting (RCA), Cost Management*

## 1. INTRODUCTION

In light of the rapid changes in the business environment and increasing competition, organizations are required to adopt modern accounting and management tools to enhance their operational efficiency. Resource consumption accounting is among the most prominent of these tools, as it focuses on accurately analyzing how resources are consumed and linking them to various activities within the organization. This approach contributes to providing cost-effective information that helps management make informed decisions aimed at improving performance and reducing costs. It also helps uncover sources of waste and evaluate inefficient operations, enhancing the organization's ability to control its expenses. The importance of resource consumption accounting lies particularly in its ability to link real costs to actual activities, which contributes to achieving distributive justice and improving resource allocation. This positively impacts cost management in terms of planning, control, and evaluation. This system also supports the organization's strategic objectives by enhancing transparency and achieving economic efficiency. This research aims to shed light on the role of resource consumption accounting in enhancing cost management by examining the basic concepts, practical applications, and achieved results.

## 2. MATERIALS AND METHODS

### *2.1. Theoretical Materials*

#### *2.1.1. Research Problem*

Despite advances in traditional accounting methods, many organizations still face difficulty accurately tracking resource consumption, leading to poor identification of the true costs of activities and products. This deficiency negatively impacts cost management efficiency and impacts strategic and operational decision-making. Therefore, the research problem is that economic units, including the body shop factory, the research sample, are unable to manage their costs in a manner that enables them to remain competitive. This is due to their use of traditional administrative and accounting methods.

The study problem can be identified through the following questions:

1. What is the impact of applying RCA on cost management in companies?
2. How does using RCA contribute to reducing overall costs?

#### *2.1.2 Study objective*

1. Determine the impact of RCA on cost management in companies.
2. Explore the role of RCA in reducing overall costs.

#### *2.1.3. Importance of the study*

1. Clarify the role of resource consumption accounting in improving the accuracy of cost measurement and analysis to support effective financial and operational decision-making.
2. Highlighting the impact of this type of accounting in uncovering waste and improving the efficiency of resource allocation within institutions.
3. Contributing to enriching accounting knowledge with modern methods that help develop cost management and support the trend towards institutional performance Sustainable.

#### *2.1.4. Study Hypothesis*

The research is based on a main hypothesis, which states:

The use of resource consumption accounting contributes to enhancing the efficiency of cost management in companies.

#### *2.1.5. Research Methodology*

First: The Deductive Approach: The researcher relied on the deductive approach to collect data and information by referring to sources, books, and articles that addressed the research topic.

Second: The Applied Analytical Approach: The researcher adopted the applied analytical approach in the practical aspect, as a set of cost indicators was used and applied to measure resource consumption accounting to achieve the dimensions of cost management for the economic unit, the research sample.

*2.1.6. Research Sources*

The sources of data and information collection according to these two approaches can be explained as follows:

1. Theoretical Aspect: The theoretical aspect of the research relied on available local, Arab, and foreign sources, represented by books and university theses and dissertations, and periodicals available in libraries or on the Internet related to the research.
2. The Applied Aspect: This included field visits, interviews with employees of the economic unit, the research sample, and review of records books, documents, and reports of this factory were used in the economic unit, the research sample.

*2.1.7. Study Limitations*

Researchers often face many obstacles during academic writing, including the following:

1. It is difficult to access reliable and credible sources due to the novelty of the topic.
2. Time constraints, which pose a major challenge for the researcher during the writing process.
3. The researcher's commitment to avoiding unauthorized quotations and ensuring the use of accurate scientific methods.

*2.1.8, Previous studies*

1- Study (Paksoy:2022) [1]

| Seq. | Details | Study Details |
|---|---|---|
| 1- | Researcher and Year | (Paksoy:2022) [1] |
| | Study Title | Using Resource Consumption Accounting Method in Customer Profitability Analysis: A Case Study of a 5-Star Hotel . |
| | Study Type | Research published in the Research Journal of Hospitality and Tourism . |
| | Study Objective | Analyzing customer profitability using the resource consumption accounting method contributes to improving cost allocation, identifying the most profitable customers, and enhancing the company's strategic decisions. |
| | Key Findings | Using the resource consumption accounting method allows for the accurate determination of costs associated with each customer, which helps in improving pricing and service strategies. It also contributes to enhancing the company's profitability by focusing on the most valuable customers and reducing resource waste. |

*2- Study:* (Thapayom: 2021) [2]

| Study Details | Details | Seq. |
|---|---|---|
| (Thapayom: 2021) [2] | Researcher and Year | 2- |
| Cost Management as a Valuable Approach for Achieving Organizational Sustainability: Evidence from Industrial Businesses in Rayong. | Study Title | |
| Research published in the Journal of the Accounting Profession | Study Type | |
| To explore the role of cost management as a valuable approach to achieving organizational sustainability by analyzing the practices of industrial firms in Rayong. It also focuses on how cost strategies can be employed to enhance operational efficiency and long-term sustainability . | Study Objective | |
| The adoption of cost management enhances organizational sustainability in industrial firms in Rayong by improving operational efficiency and reducing waste. It also shows that companies that effectively apply this approach achieve a competitive advantage and long-term financial sustainability. | Key Findings | |

*2.2. METHODS*

*2.2.1. Resource Consumption Accounting (RCA)*

*A. Definition of Resource Consumption Accounting (RCA)*

Resource Consumption Accounting (RCA) is defined as a method used in management accounting to allocate costs and manage resources. It also provides useful information to guide the efficient use of resources by allocating costs and increasing productivity. It can be defined as a dynamic and fully integrated approach based on comprehensive management accounting, which helps managers provide information that supports their decisions to improve economic units [3]. Okutmus [4] also defined it as a management classification system that classifies costs into fixed and variable. It supports decision-making by providing accurate cost data through determining operational capacity [4].

The researcher sees, through the above, that Resource Consumption Accounting (RCA) is one of the modern cost management techniques that provides comprehensive and sufficient information that helps in planning and controlling costs, while also providing a practical and future vision for how resources are consumed and managed, reducing costs, and managing idle or surplus capacities. This helps in improving strategic and operational decisions and providing the best ways to satisfy customers, thus achieving a competitive advantage for the economic unit.

*B. Objectives of Resource Consumption Accounting (RCA)*

After the main objective (RCA) is to achieve the optimal utilization of the available resources in the facility, which helps reduce production costs and meet customer desires, which is reflected in supporting the competitive position of the facility. It also seeks to achieve a set of other sub-objectives [5] , [6], [7] These are represented in the following: -

1. Providing an integrated view of the facility's resources and costs, determining the relationship between them, and the optimal utilization of these resources.
2. Controlling the use of the facility's available resources by monitoring their use and identifying those that are not being utilized.
3. Determining the purpose of reducing costs for resources, whether utilized or unutilized, with the aim of activating the use of idle capacity and developing utilized capacity.
4. Taking into account the principle of causality when distributing the costs of consumed resources to products through the activities of economic units. This facilitates Calculating product costs more accurately and objectively.
5. Providing financial and non-financial information through a forward-looking operational model that contributes to the process of predicting the requirements of each resource and identifying idle capacity and not charging it to products that never occurred.
6. (RCA) provides the best possible utilization of available resources within the economic unit, leading to reduced service costs, improved added value of the product, and enhanced competitive position of the economic unit.

*C. Steps of Resource Consumption Accounting (RCA)*

Resource consumption accounting is carried out to measure the costs of the economic unit through the following steps: [8], [9], [10], [11]:

1. Inventory and identify available resources
2. Establish different resource pools
3. Identify cost drivers for each resource pool
4. Determine the total cost of primary and secondary resource pools
5. Calculate theoretical and operational energy rates for each resource pool
6. Allocate resource pool costs to activities
7. Allocate activity costs to the cost target.
8. Determine idle/excess capacity for resource pools.

*2.2.2. Cost Management*

*A. Definition of Cost Management*

Cost management is defined as the set of actions taken by managers to achieve customer satisfaction, while simultaneously reducing and continuously monitoring costs [12]. It can also be defined as the process of planning and controlling costs to ensure the efficient use of resources and the achievement of financial objectives. This is achieved through cost estimation, budgeting, spending monitoring, and variance analysis to make corrective decisions [13]. In addition, Venkataraman and Jeffrey define it as the processes and strategies adopted by organizations to control costs and improve their financial efficiency in light of modern economic challenges. Cost management includes analyzing expenses, identifying areas for savings, and applying continuous

improvement techniques, such as digital transformation, artificial intelligence, and process automation, to achieve a competitive advantage [14]. The researcher believes that cost management can be defined as a set of techniques that work to improve the value of a product to the economic unit by continuously reducing its cost, increasing its quality, achieving customer satisfaction, and ultimately achieving a competitive advantage.

*B. Objectives of Cost Management*

Cost management aims to achieve a set of objectives [15], including measuring all resources consumed to perform important activities in the economic unit and identifying and eliminating activities that do not add value, as eliminating these activities does not affect the quality, performance, or perceived value of the product. It also determines the efficiency and effectiveness of all activities in the economic unit, leading to the identification and evaluation of new activities that improve the future performance of the economic unit.

There are also other objectives of the cost management approach, which he pointed out as follows: [16]:

1. Measuring the cost of resources used in implementing the main activities of the economic unit.
2. Identifying and eliminating cost items that do not create added value.
3. Determining the efficiency and effectiveness of the main activities implemented in economic institutions.
4. Identifying and evaluating new activities that can improve the future performance of the organization.

*C. Factors for the emergence of cost management techniques*

There are several factors that have contributed to the emergence of contemporary strategic techniques related to cost management, the most important of which are the following: -

1. The strength of competition among economic units: The strength of competition witnessed in the business environment has limited the ability of economic units to determine the selling prices of their products, as they are determined by the market. This has led these units to adopt modern ideas and technologies in order to survive in the competitive market. Furthermore, achieving a competitive advantage requires the economic unit to develop appropriate strategies in light of its human and material resources and capabilities that meet the needs and requirements of customers [17].
2. Using modern systems in design and manufacturing: Technological progress and changes in the business environment have led to the emergence of modern systems in the field of manufacturing and design, which can be used to improve and develop the product. These systems are represented by a group of machines, equipment, devices, and software related to the poisoning and manufacturing processes [18].
3. Orientation towards customers. Customers are the main guiding force of the economic unit in the modern business environment and the developments it is witnessing. In order for the economic unit to outperform competitors in the market, it must gain new customers without neglecting to achieve the satisfaction of existing customers, thus increasing the market share of the economic unit in a way that contributes to improving profit and production indicators. This requires the economic unit to consider formulating strategies that meet the needs and requirements of customers [19].

4. The suitability of traditional cost management systems to the requirements of the business environment: Traditional cost management systems are unable to provide the necessary information to economic units that rely on them for planning and strategic decision-making processes [20]. The traditional system is based on [21] and adds short-term planning processes and historical data, with the aim of comparing actual performance with planned performance. It also focuses only on internal operations, excluding external operations, despite their importance in the business environment.
5. The openness of the global market: The world has become a single village governed by regulations and systems that regulate global trade, which has affected factors of competition and communication in terms of exchanging experiences between economic units to apply the best practices to improve product value.

## 3. The Applied Side

### *3.1. Research Sample*

The research sample was selected from the other factories in the General Company for Automotive and Equipment Manufacturing in Alexandria, affiliated with the Ministry of Industry and Minerals. The factory (the research sample) for the year 2024 is of great importance in addressing the study of resource consumption accounting in enhancing cost management.

### *3.2. Applying resource consumption accounting in the research sample factory*

The first step: inventorying the resources of the economic unit:

**Table 1. Details of uses related to the cost of resources related to body products for the year 2024.**

| Guide | account name | Amount / in dinars |
|---|---|---|
| 31 | Salaries and wages | 4129375084 |
| 3211 | Raw materials and primary materials | 607504590 |
| 3212 | Supporting materials | 34159586 |
| 3223 | Oils and greases | 102268377 |
| 323 | Spare parts | 130456885 |
| 32512 | stationery supplies | 3120337 |
| 3272 | electricity | 145173990 |
| 331 | Maintenance services | 27010307 |
| 3341 | Transfer of workers | 9958491 |
| 33432 | Delegation of workers | 27166500 |
| 372 | Building collapse | 9275210 |
| 373 | Depreciation of machinery and equipment | 11475463 |
| 274 | extinction of means of transportation | 8929461 |
| 38 | Transfer expenses | - |
| 39 | Other expenses | - |
| | The total | 5270532588 |

Source: Prepared by the researcher\Costs Division

Second Step:

Al-Furat Journal of Innovations in Management Sciences

ATU- AFJIMS, Volume: 1, Issue: 3, 3 July 2025

Classifying Resources into Homogeneous Pools:

**Table** Error! No text of specified style in document.**2. Inventorying Resources into Homogeneous Resource Pools in the Body Factory**

| T | Resource pools | Resources (cost elements) | Resource cost drivers |
|---|---|---|---|
| 1 | Personnel resource | ▪ Salaries and wages<br>▪ Transfer of workers<br>▪ Delegation of workers | ▪ working hours<br>▪ Number of workers<br>▪ Number of workers |
| 2 | Consumables supplier | ▪ Raw materials<br>▪ Auxiliary materials<br>▪ Oils and greases<br>▪ stationery supplies | ▪ Quantity ( tons )<br>▪ Quantity ( liters )<br>▪ Quantity (liters)<br>▪ Number of commands |
| 3 | Maintenance materials and driving forces | ▪ Spare parts<br>▪ Machinery and equipment maintenance<br>▪ electricity | ▪ Number of commands<br>▪ Maintenance hours<br>▪ Machine working hours |
| 4 | Resource of assets used in the production process | ▪ Building collapse<br>▪ Depreciation of machinery and equipment<br>▪ extinction of means of transportation | ▪ Production time plan<br>▪ Production time plan<br>▪ Production time plan |

Source: Prepared by the researcher

Step Three: Separating the costs of resource pools into fixed and proportional costs

1. Personnel Resource:

**Table 3. Fixed and Proportional Costs in the Personnel Resource Pool**

| The source | fixed costs | costs proportionality | Total |
|---|---|---|---|
| Salaries, wages and benefits in kind | 3716437576 | 412937508 | 4329375084 |
| Transfer of workers | 9958491 | - | 9958491 |
| Delegation of workers | - | 27166500 | 27166500 |
| The total | 3726396067 | 440104008 | 43665000075 |

Source: Prepared by the researcher using Cost Division reports

2.Supplier of Consumable Materials:

**Table** Error! No text of specified style in document.**4. Fixed and Proportional Costs in the Consumable Materials Supplier Complex**

| The source | fixed costs | costs proportionality | Total |
|---|---|---|---|
| Raw materials | - | 595914176 | 595914176 |
| Auxiliary materials | - | 45,750,000 | 45,750,000 |
| Oils and greases | - | 102268377 | 102268377 |
| stationery supplies | 3120337 | - | 3120337 |
| the total | 3120337 | 743932553 | 740812216 |

Source: Prepared by the resear Source \Costs Division

3. Maintenance and Power Resource Complex:

**Table** Error! No text of specified style in document.**5. Fixed and Proportional Costs in the Maintenance and Power Resource Complex**

| The source | fixed costs | costs proportionality | Total |
|---|---|---|---|
| Precautionary tools | - | 130456885 | 130456885 |
| Maintenance services | 16206184 | 10804123 | 27010307 |
| electricity | 14517399 | 130656591 | 145173990 |
| the total | 30723583 | 271917599 | 302641182 |

Source: Prepared by the Researcher\ Costs Division

4. Asset Resource Complex Used in the Production Process:

**Table 6. Fixed and Proportional Costs in the Asset Resource Complex Used in the Production Process**

| The **source** | fixed costs | costs proportionality | Total |
|---|---|---|---|
| Building collapse | 9275210 | - | 9275210 |
| Depreciation of machinery and equipment | 11475463 | - | 11475463 |
| extinction of means of transportation | 8929461 | - | 8929461 |
| **the total** | 29680134 | - | 29680134 |

Source: Prepared by the Researcher\Costs Division

Fourth step: Determine the theoretical and practical capacities and rates of fixed and proportional costs

**Table** Error! No text of specified style in document.**7. Theoretical and practical capacities and loading rates for the year 2024**

| Resource Complex | theoretical energy | practical energy | Fixed cost rate | proportional cost rate | Resource cost driver |
|---|---|---|---|---|---|
| Personnel resource | | | | | |
| Salaries and wages | 806400 | 423360 | 4608.67 | 975.38 | Working hours |
| Transfer of workers | 280 | 280 | 35566.03 | - | Number of workers |
| Delegation of workers | 15 | 15 | - | 1811100 | Number of workers |
| Consumables supplier | | | | | |
| Raw materials | - | 539 | - | 1105592.16 | Quantity (tons) |
| Auxiliary materials | - | 6510 | - | 7027.64 | Quantity (liter) |
| Oils and greases | - | 10227 | - | 10,000 | Quantity (liter) |
| stationery supplies | 479 | - | 27. 6514 | - | Number of commands |
| Maintenance materials and driving forces | | | | | |
| Precautionary tools | - | 590 | - | 36. 221113 | Number of commands |
| Machinery and equipment maintenance | 885 | 177 | 27561.53 | 61040.24 | Maintenance hours |
| electricity | 152640 | 80136 | 94.122 | 2107.63 | Machine working hours |
| Resource of assets used in the production process | | | | | |
| Building collapse | 31750 | - | 292.13 | - | Planned production hours |
| Depreciation of machinery and equipment | 31750 | - | 361.43 | - | Planned production hours |
| extinction of means | 31750 | - | 281.24 | - | Planned production |

Al-Furat Journal of Innovations in Management Sciences

ATU- AFJIMS, Volume: 1, Issue: 3, 3 July 2025

| | | | | | |
|---|---|---|---|---|---|
| of transportation | | | | | hours |

Source: Prepared by the researcher

## Fifth Step: Distributing Activity Costs to Final Products and Separating Idle Energy Costs

A. Distributing Resource Pool Costs to Activities

**Table 8. Distribution of resource pool costs among activities**

| The resource | Manufacturing activity | Quality control activity | Maintenance activity |
|---|---|---|---|
| **Personnel resource** | | | |
| Salaries and wages | 1369108547 | 342277137 | 513415705 |
| Transfer of workers | 3556603 | 889151 | 1315943 |
| Delegation of workers | 9055500 | 1811100 | 3622200 |
| the total | 1381720650 | 344977388 | 518353848 |
| **Consumables supplier** | | | |
| Raw materials | 567168778 | - | - |
| Auxiliary materials | 31624380 | - | 10541460 |
| Oils and greases | 77430000 | - | 15070000 |
| stationery supplies | - | - | - |
| the total | 676223158 | - | 25611460 |
| **Maintenance materials and driving forces** | | | |
| Precautionary tools | 75067986 | - | 32171994 |
| Machinery and equipment maintenance | 13290265 | 2215044 | 6645133 |
| electricity | 151835812 | 7053062 | 21136881 |
| the total | 48906482.94 | 9268106 | 59954008 |
| **Resource of assets used in the production process** | | | |
| Building collapse | 2629170 | 1022455 | 584260 |
| Depreciation of machinery and equipment | 5757851 | 1570323 | 3140646 |
| extinction of means of transportation | 2671780 | - | 843720 |
| the total | 11058801 | 2592778 | 4568626 |
| Total | 2117909092 | 356838272 | 608487942 |

| The resource | Storage activity | Marketing activity | Administrative activity | the total |
|---|---|---|---|---|
| **Personnel resource** | | | | |
| Salaries and wages | 171138568 | 547643419 | 479187991 | 3422771368 |
| Transfer of workers | 462358 | 1422641 | 1244811 | 8891508 |
| Delegation of workers | - | 3622200 | - | 18111000 |
| the total | 171600926 | 552688260 | 480432802 | 3449773876 |
| **Consumables supplier** | | | | |
| Raw materials | - | - | - | 567168778 |
| Auxiliary materials | - | - | - | 42165840 |
| Oils and greases | - | - | - | 92,500,000 |
| stationery supplies | 469027 | 820798 | 1055312 | 2345137 |
| the total | 469027 | 820798 | 1055312 | 704179755 |
| **Maintenance materials and driving forces** | | | | |

| | | | | |
|---|---|---|---|---|
| Precautionary tools | - | - | - | 107239980 |
| Machinery and equipment maintenance | - | - | - | 22150443 |
| electricity | 12591568 | 21181493 | 15567148 | 141007713 |
| the total | 12591568 | 21181493 | 15567148 | 270398136 |
| **Resource of assets used in the production process** | | | | |
| Building collapse | 1168520 | 350556 | 1761544 | 7516505 |
| Depreciation of machinery and equipment | - | - | - | 10468820 |
| extinction of means of transportation | 1124960 | 703100 | 1831067 | 7174627 |
| the total | 2293480 | 1053656 | 3592611 | 25159952 |
| Total | 186955001 | 575744207 | 500647873 | 4449511719 |

Source: Prepared by the researcher based on Tables (7) and (8).

B. Idle Energy Costs Chapter

**Table 9. Idle Energy Costs According to Resource Consumption Accounting for the Year 2024**

| Resource pools | Cost before RCA application | Cost afterRCA application | idle energy | Idle power ratio per supply complex |
|---|---|---|---|---|
| Personnel resource | 4366500075 | 3449773876 | 916726199 | 21.00% |
| Consumables supplier | 740812216 | 704179755 | 36632461 | 4.94% |
| Maintenance materials and driving forces | 302641182 | 270398136 | 32243046 | 4.29% |
| Resource of assets used in the production process | 29680134 | 25159952 | 4520182 | 6.03% |
| **the total** | **44738133607** | **4449511719** | **254418888** | **5.41%** |

Source: Prepared by the researcher based on Tables (3) (4) (5) (6) (9)

It is clear that what resource consumption accounting does in reducing costs related to the products of the body factory by sorting the costs of idle energy and arriving at a cost of (254,418,888) dinars, at a rate of 5.41% of the total costs incurred compared to the cost that was determined according to the traditional costing system applied in the body factory of the research sample, amounting to (447,381,33607) dinars, which represents the costs of idle energy that should not be charged to the cost of products, which leads to reducing costs and achieving objectivity fromIn terms of measuring them, and providing appropriate information for cost management in terms of making the right decision to efficiently utilize these surplus idle resources.

After presenting all of the above steps, the researcher believes that the main objective of the study has been achieved in the body factory: reducing costs, which enhances cost management through more accurate cost measurement and resource consumption accounting (RCA).

## 4. CONCLUSIONS & RESULTS

### *4.1. Conclusions*

This research includes a set of conclusions reached after completing both the theoretical framework and the practical aspects:

1. Economic units that apply traditional costing systems suffer from many problems in measuring resources, which results in difficulty identifying cost-saving opportunities and the best ways to enhance production initiatives and achieve the dimensions of cost management.
2. The validity of the research hypothesis, which is that "resource consumption accounting contributes to achieving the dimensions of cost management for industrial economic units," is proven. This purpose was consistent with the research objective, the theoretical study, and the applied study conducted by the researcher. Both studies demonstrated the ability of this framework to provide appropriate information that benefits the economic unit and achieves the dimensions of cost management.
3. The weakness of the cost system applied in the research sample factory and its failure to accurately monitor and identify cost elements through resource consumption accounting, as well as the management's lack of interest and awareness in applying contemporary cost-effective techniques and their impact on the dimensions of cost management, thus ensuring its sustainability and continuity.
4. The application of the study has reduced total costs from 5,270,532,588 dinars to 4,449,511,719 dinars. This reduction achieves savings and financial returns for the body factory, improves efficiency and productivity, avoids waste of resources, and provides better control over costs.

### *4.2. Recommendations*

Based on the conclusions reached in both its theoretical and applied aspects, the researcher recommends the following:

1. The research recommends that professional economic units commit to properly applying the resource consumption accounting system to ensure the provision of sufficient and accurate information that contributes to improving cost management.
2. Regular training programs are recommended to enhance the efficiency of accounting personnel in applying resource consumption accounting concepts and improve their skills in using modern technologies, in line with the requirements of improving economic performance.
3. It is recommended to regularly evaluate the quality of resource consumption accounting systems, and to establish or improve control mechanisms to ensure compliance with professional guidelines, achieve greater efficiency in resource management, and reduce costs.

## *REFERENCES*

[1] Paksoy, O. B. (2022) Using Resource Consumption Accounting Method in Customer Profitability Analysis: A Case Study of a 5-Star Hotel. Advances in Hospitality and Tourism Research, Volume 10, Issue 2.

[2] Thapayom, A. (2021). Cost Management as a Valuable Approach for Achieving Organizational Sustainability: Evidence from Industrial Businesses in Rayong. Journal of Accounting Profession, volume 17, Issue 53.

[3] Yaqoub, F. A., & Fadhil, K. J. ,(2020), Using Resource Consumption Accounting to Determine the Cost of Bank Customers, Journal of Economic and Administrative Sciences, Volume 26, Issue 120.

[4] Okutmus, E. (2015). Resource consumption accounting with cost dimension and an application in a glass factory. International Journal of Academic Research in Accounting, Finance and Management Sciences, Volume 5, Issue 1.

[5] Zaghir, M. W., 2024, The Role of Resource Consumption Accounting in Achieving Competitive Advantage, Applied Research: General Company for Textile and Leather Industry, Journal of Economic Publishing and Accounting, Volume 2, Issue 5 .

[6] Liu L. Guan; Wang T, (2017)، Management Accounting Tools and Application Cases Resource Consumption Accounting Method and Application ،Advances in Social Science, Education and Humanities Research, volume 121.

[7] Hadi, A. N., & Hatif, M. H. (2023). The Role of Time-Directed Resource Consumption Accounting Technology in Monitoring and Reducing Product Costs: An Applied Study. International Journal of Advances in Engineering and Management (IJAEM), Volume 5, Issue 3.

[8] Qablan, F., Shahin, M., Hashem H. (2019). Critical Thinking in Education: The Case of Palestine. Online Presentation, Volume 1, Issue 1.

[9] Al-Khafaji, A.A., Al-Moussawi, and Khabila, S.E. (2020). Customer Profitability Analysis and Resource Consumption Accounting: A Comprehensive Management Approach, Volume 11, Issue 10.

[10] Al-Rawi. Abdulkhaliq M & al- Hafiz. Hiba Abd (2018) "The Role of Resource Consumption Accounting (RCA) in Improving Cost Management in the Jordanian Commercial Banks "International Journal of Economics and Finance, Volume 10, Issue 10.

[11] Köse, T., & Ağdeniz, Ş. (2017). ZAMAN ESASLI FAALİYETE DAYALI MALİYETLEME VE KAYNAK TÜKETİM MUHASEBESİ MALİYET YÖNTEMLERİNİN KARŞILAŞTIRILMASI. Muhasebe ve Vergi Uygulamalari Dergisi (MUVU)/Journal of Accounting & Taxation Studies (JATS), Volume 10, Issue 2.

[12] Datar, Srikant M. & Rajan, Madhav V. (2018) " Horngren's cost Accounting A managerial Emphasis " 16th EDITION, PEARSON.

[13] Drury Colin. (2018) "Management and Cost Accounting". 10th edition CENGAGE.

[14] Vinka Ta Raman, R. R. and Pinto J. K. (2023). Cost and Value Management in Projects. John Wiley & Sons.

[15] Hilton, Ronald W. (2005),"Managerial Accounting" ,6th Ed., Irwin Mc Graw-Hill Co.Inc

[16] Shahsvarzehi،Raheleh،Rudposhti،Fereydoun Rahnamay،Zamani،Zahra Pour ، (2023)، Provide a cost management model: with an efficiency approach،International Journal of Finance and Managerial Accounting, volume 8, Issue 30.

[17] El-Hwaity, Abeer Mohammed (2013), "Strategic Cost Management to Maxi-mize the Value of the Organization and its Competitive Advantage", Master Thesis in Accounting and Finance, Islamic University, Gaza.

[18] Pandey, Rohit T.; Sharma, Nishant K. & Tomar, Arvind Singh (2016), "Performance Evaluation of Flexible Manufacturing System (FMS) in Manufacturing Industries", International Journal of Interdisclinary Research (IJIR), Vol.2, Issue 3.

[19] Atkinson, Anthony A.; Kaplan, Robert; Matsumura, Ella M. & Young, S. Mark (2012), "Management Accounting", 6th ed., Prentice-Hall Inc., Pearson Education International, USA.

[20] Monroy, C.; Nasiri, A. & Pelaez, M. (2014), "Activity Based Costing, Time Driven Activity Based Costing and Lean Accounting: Differences Among Three Accounting Systems Approach to Manufacturing", Administr-ation [21] Empress Estadiistica Escuela Technical Superior Ingenierors Indus-trials, University of Politecnical Madrid, Spain, pp:(11-17).

[22] Aksoylu, Semra & Aykan, Ebru (2013), "Effects of Strategic Management Accounting Techniques on Perceived Performance of Businesses", Journal of US - China Public Administration, Erciyes University, Kayseri, Turkey, volume 10, Issue 10.