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RESOURCES CONSUMPTION ACCOUNTING, COST REDUCTION FOR CUSTOMERS, AND COMPETITIVE ADVANTAGE: AN IRAQI CASE STUDY

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ABSTRACT. The accuracy and quality of customer cost information are contingent upon the selection and implementation of a current cost accounting and management strategy that is sensitive to severe competition among economic units and integrates resource consumption accounting. RCA, the current generation of cost accounting and management software, helps managers to make sound decisions and create successful strategies. The purpose of this research is to demonstrate the impact of resource consumption accounting on rationalizing customer costs at the bags / Hilla plant by decreasing product pricing, finding idle energy, and identifying the factory's best customers. A case-study approach was used at the Al-Hilla / Al-Hilla / Al-Hilla plant. Using the laboratory's current data for 2018, this method evaluates the laboratory's actual costs and applies resource consumption accounting. The research revealed that the efficiency of customer cost analysis is technique-dependent and that accounting for resource usage is one of the most effective and precise cost optimization techniques. The resource consumption accounting emphasizes the economic unit of resources, their interconnected linkages, and their optimal utilization. Additionally, it identifies unused (untapped) energy and removes it from goods and services to keep prices low. Thus, the researcher's most essential recommendations indicate that sufficient attention be paid to resource consumption applications, accounting for their role to achieving this goal.

JEL Classification: D02, O17, P31

Keywords: customer cost analysis, resource consumption accounting, competitive advantage

Introduction

Intense competition has become a hallmark of the contemporary business environment today compared to the past, especially after the transformation of competition of economic units from the local environment to the international environment and in order to cope with these

changes surrounding and readiness, the economic unit should provide products with competitive prices that meet the needs and desires of customers while ensuring cost reduction and improved productivity, and in order to achieve this, the economic unit should follow a set of strategic plans to ensure its success and survival in this environment. Contemporary, so traditional cost systems have become unable to provide information that properly determines costs, reduces product costs, improves productivity and determines the cost of customer service, so there is a need to adopt several entrances used by the economic unit to achieve its objectives, including the entrance to accounting for resource consumption, as the RCA resource consumption accounting portal is characterized by the provision of integrated information on the careful allocation of costs and optimal exploitation of energy and its role in reducing costs.

Economic units have difficulty in rationalizing customer costs by identifying which customers have to develop a relationship with them and any of them will strengthen the relationship with them, especially since most of the methods currently used in the field of indirect costs do not achieve justice in allocation, which leads to the failure to make correct management decisions regarding cost planning, and the identification of takaleaf products or services provided. Determining the real costs of products or services provided by economic units as well as determining the costs of their customers, which negatively affects decision-making. Moreover, the use of resource consumption accounting to monitor the costs of each resource of the economic unit and identifying idle energy will rationalize the cost and provide customer information in a way that provides the possibility of evaluating customers and analysing their profitability in order to maintain profitable customers and increase their profitability. Focus on them and try to turn unprofitable customers into profitable customers. By using resource consumption accounting, customer profitability analysis achieves the best added value for the customer as well as supporting the competitive position of the economic unit. The research seeks to achieve the following objectives:

1. Provide a theoretical framework that illustrates the relationship between accounting for resource consumption.

2. Demonstrate the impact of the resource consumption accounting application in rationalizing product costs in the laboratory research sample.

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1. Literature review

1. The concept of accounting for resource consumption

Resource Consumption Accounting(RCA)is the new generation in thefield of modern management accounting, as this portal combinesthe German Cost Management Portal(GPK)with theCost Input based on Activities(ABC) (Balakrishnan et al,, 2011: 13).

The philosophy of this portal is based on the fact that it is the resources owned by the economic unit that generate costs and therefore should focus on calculating those resources accurately and determining what is consumed from them, and that the pooling and organization of these resources in homogeneous complexes (Hawali, 2013: 85), so that each resource complex has a set of inputs used to produce outputs used by other resource pools or used in different cost objectives (activities, operations, products, or customers) taking into account the subject of entanglement Resource relationships overlap, each resource may benefit one resource and another, and some resources may directly benefit the cost target (Letter, 2009:18). This approach also depends more on theoretical energy than on practical energy in determining fixed-part resource costs. Fixed indirect costs are determined for resources based on theoretical energy rather than practical energy (production planned during a given period) and this process calculates the fixed unit cost of the cost target (Kazim, 2019: 58).

RCA can therefore be definedas a new cost management accounting portal that provides appropriate information and gives a forward-looking view of how to optimize the resource available in the economic unit in light of both the desires and expectations of customers and the benefits of demand for services to help reduce product cost, maximize customer value added and assign the competitive position of the economic unit "Small, 2011:85).

RCA is definedas a dynamic, integrated and comprehensive entry based on the principle of comprehensive management accounting that provides managers with decision support information to improve the performance of the economic unit, and is characterized by modernity, flexibility and comprehensiveness based largely on the German GPK cost accounting portal and an activity-based accounting portal Lecturer & Co, 2011: 1).

Based on the above, the researcher knows how to account for resource consumption as follows:

A cost management portal that combines flexible standard cost input with activity-based cost input to improve the accuracy of measuring the cost of products or services, characterized by providing comprehensive and adequate information that helps to properly plan resources, exclude idle resources and not charge them for products or services in order to reduce costs and increase productivity, as it helps to make strict strategic and operational decisions, which will increase the competitiveness of the economic unit and provide the best ways to satisfy customers.

2. The concept of customer cost analysis

According to Kazem, 2014:5, customer costs vary from customer to customer depending on their consumption of available economic unit resources, so available cost information enables the customer to manage the unit in determining how it uses the unit's resources, and the following reasons explain thisdifference:

A. Difference in customer orders, there is a customer who purchases in small batches and repeatedly, and another customer whose payments are large and spaced (Garson and Noreen, 2002: 612).

B- Differences in the pattern of orders or special orders, there is a customer requesting atypical goods which leads to a change in the production process to meet the demands or cost a special engineering work for the machines and the need for special equipment, or requests for individual packaging of the customer (Brahimi, 2015: 66).

C- Difference at the time of meeting orders, there is a customer requesting urgent payments or special transport and delivery services (Horngern, 2000: 583).

D- Difference in the volume of purchases, which causes a difference in the amount of clerical work, communications and handling (Jabouri and Khudhair, 2008:312).

Based on the above, the increased cost of the customer can come as a resultof:

- Fewerorders.
- Increase and repeat productdelivery.
- Production and storage of larger quantities ofproducts.
- Costs of storing products for longerperiods.
- Increase the requirements of after-salesservices.

Dealing with these additional costs may require economic units to raise prices to cope with this cost increase, so knowing the cost of the customer is very important to make the right decisions (2010:10). As a result, tracking the customer's costs can be offset by some problems that should be taken intoaccount, including:

A- Difficulty in collecting customerinformation: Most accounting systems are designed to track costs at the commodity or activity level and rarely provide individual-level information to each customer for marketing, distribution and customer service expenses.

B- Difficulty in allocatingcosts: Economic units face the problem of allocating costs to customers and this problem arises with the presence of different dealings of customers with the unit, including:

- There are customers who have one order, and all costs are allocated to the individual order.
- There are customers who can have several orders, and all costs are allocated to individual orders.
- There are customers who can have several orders, not all costs are allocated to individual orders and costs can be tabuled on two types:

Indirect costs, which are specificto a specific customer and a particularorder.

Indirect costs, which are support costs for the customer and require an allocation according to the number of orders or orders, or according to the value of the sales of each customer, or other bases (Abbas and Abdul Karim, 2009: 5).

Based on the above, it can be said that analysing the elements of revenue and costs and understanding the reasons for their differences is the cornerstone of providing information to the crisis to analyze the profitability of the customer. When providing the necessary information, conducting customer-specific analysis and showing the reasons for customers' differences in profitability, economic units can use this difference to improve customer profitability and gain more profitable customers. This information allows for the possibility of raising the level of interest of managers in customers who make a significant contribution to the operating income of economicunits.

The results

1. About The Hilla Bags Factory

This plant was established in 2005 belonging to the textile factory in Hilla is one of the formations of the Ministry of Industry and Minerals and this factory produces woven bags of different sizes as well as produce plastic bags for various purposes.

2. RCA Resource Consumption Accounting Application in Bag/Hilla Lab

For the purpose of applying resource consumption accounting in the lab, we will take the next steps:

First: identify available resources and the cost of resources disbursed on products.

First and foremost, the available resources spent on products should be determined, and table (1) shows the cost of resources consumed during this period and my agency:

Table (1). Costs spent in a laboratory during 2018

Statement	Amount/JD
Salaries and wages	1,985,055,273
Disappearing	615,357,992
Raw materials and raw materials	148,503355
water	8,422,713
electricity	26,677,514
Spare tools	5,831,199
Packaging	419,000
Fuel and oil	1,550,306
Variety	5,451,741

Staff equipment	316,000
Maintenance services	1,555,500
Advertising, printing and hospitality	608,000
Research and consulting	3,220,000
Transportation, dispatch and communications	3,007,000
Rent fixed assets	1,250,000
Various service expenses	11,963,310
Marketing expenses	1,235,000
Administrative expenses	197,880,203
Total	3,018,304,106

Source: Preparing the researcher based on lab records
The table above shows the resources disbursed in the plant during 2018.

Second: identify resource pools.

The second step under RCA resource consumption accounting is to identify resource pools by pooling similar and similarly characteristic resources into private pools, as shown in table 2:

Table (2). Inventory and identify resources in appropriate complexes

sequencing	Resource pool	Resources	
1	Direct Action Complex	Direct wages	1409944000
2	Live Materials Complex	Direct materials and materials	148503355
3	Indirect work pool	Salaries and indirect wages	575,111,273
4	Indirect materials complex	Packaging materials	419000
		Oils and greases	542,306
5	Motor Force Complex	Extinction	615,357,992
		water	8,422,713
		electricity	26,677,514
		Backup tools	5,831,199
		Oil materials	1,008,000
6	Equipment Resource Pool	Staff equipment	316,000
		Supplies and tasks	3,860,841
		Stationery	1,590,900
7	Maintenance Services Resource Pool	Maintenance of buildings, constructions and roads	31,000
		Maintenance of machinery and equipment	1,116,000
		Maintenance of transportation and transportation	261,500
		Maintenance of furniture and office equipment	147,000
8	Advertising Complex	Advertising, printing and hospitality	608,000
		Research and consulting expenses	3,220,000
9		transport workers	358,750

	Transport, Dispatch and Communications Resource Complex	Travel and dispatch	2,097,000
		Public communications	551,250
10	Resource pool of the rest of the service supplies	Rent fixed assets	1,250,000
		Banking services	11,963,310
11	Administrative and Marketing Expenses Resource Pool	Administrative expenses	197,880,203
		Marketing expenses	1,235,000

Source: By Researcher

Third: Identifying the elements of direct costs to products

Under RCA, direct costs are addressed by loading them directly to the cost target, so the direct cost elements (direct wages and direct materials) that have been disbursed to each lab product have been identified on the basis of weight and as shown in table 3:

Table (3). Bag factory/ suit, Distribution of wages and direct materials to products for 2018

to	Product	Direct wages	Direct materials	Total manufacturing costs	Volume of production	Industrial cost per unit
1	PE41	33222055	3499128	36721183	21456	1711
2	PE45	39866466	4198954	44065419	19350	2277
3	PE46	46510877	4898779	51409656	19323	2661
4	PE5	39866466	4198954	44065419	23301	1891
5	PE1	106310575	11197210	117507785	36360	3232
6	PE42	19933233	2099477	22032710	22482	980
7	PE16	86377342	9097733	95475075	34029	2806
8	PE22	73088520	7698082	80786602	41067	1967
9	PE50	26577644	2799303	29376946	25830	1137
10	PE18	119599397	12596861	132196258	30222	4374
11	PE4	13288822	6998256	20287078	37944	535
12	PEM	13288822	1399651	14688473	19566	751
13	PEz2	94350635	9937524	104288159	29070	3587
14	PP2/A	219265561	23094246	242359807	41850	5791
15	PP40	146177041	15396164	161573205	79166	2041
16	PP13	119599397	12596861	132196258	68537	1929
17	PP2/1	159465862	16795815	176261678	110447	1596
		1409944000	148503355	1558447355	660000	2361

Source: Preparing the researcher based on lab records

Fourth: separation of variable and fixed costs in resourcepools.

Resource consumption accounting differentiates between both the variable and fixed costs of each resource pool because it assumes that resources are consumed variablely and consistently as there is a changing consumption relationship when the amount of inputs from the resources consumed changes with the level of cost target production, and the fixed consumption relationship exists when the amount of inputs from the resources consumed does not change with the level of production of the cost target, so variable and fixed costs will be determined in resource pools as follows:

Table (4). Bag factory/ Hilla, Fixed and variable costs in resource pools

Resource pool	Resources	Fixed costs	Variable costs	Total
Indirect work pool	Production services workers	289,152,000	5,816,000	294,968,000
	Employees in the administration	254,199,273	-	254,199,273
	Marketing workers	25,944,000	-	25,944,000
	Total	569,295,273	5,816,000	575,111,273
Indirect materials complex	Packaging materials	-	419000	419000
	Oils and greases	-	542,306	542,306
	Total	0	961,306	961,306
Motor Force Complex	Disappearing	615,357,992	-	615,357,992
	water	8,422,713		8,422,713
	electricity	26,677,514		26,677,514
	Backup tools	-	5,831,199	5,831,199
	Oil materials	-	1,008,000	1,008,000
	Total	650,458,219	6,839,199	657,297,418
Equipment complex	Staff equipment	961,306	194,224	316,000
	Supplies and tasks	3,860,841	-	3,860,841
	Stationery	1,590,900	-	1,590,900
	Total	5,573,517	194,224	5,767,741
Maintenance services complex	Maintenance of buildings, constructions and roads	31,000	-	31,000
	Maintenance of machinery and equipment	750,790	365,210	1,116,000
	Maintenance of transportation and transportation	261,500	-	261,500
	Maintenance of furniture and office equipment	147,000	-	147,000
	Total	1,190,290	365,210	1,555,500
R & Development Complex	Advertising, printing and hospitality	608,000	-	608,000
	Research and consulting	3,220,000	-	3,220,000
	Total	3,828,000	0	3,828,000
Transport, dispatch and communications complex	Transport of workers	358,750	-	358,750
	Travel and dispatch	2,097,000	-	2,097,000

	Public communications	551,250	-	551,250
	Total	3,007,000	0	3,007,000
The rest of the service supplies complex	Rent fixed assets	1,250,000	-	1,250,000
	Banking services	11,963,310	-	11,963,310
	Total	13,213,310	0	13,213,310
Administrative and marketing expenses complex	Administrative expenses	197,880,203	-	197,880,203
	Marketing expenses	800,000	435000	1,235,000
	Total	198,680,203	435000	199,115,203

Source: Researcher's Preparation

The researcher distributed the costs to appropriate resource pools and the costs in each resource pool were classified into variable and fixed costs. This step is one of the main pillars of the RCA resource consumption accounting mechanism, which helps to extract variable cost rates through practical energy and fixed cost rates through theoretical energy and thus enables the identification of idle energy by separating fixed costs that do not add value to the main activities in the plant and keeping them in resource pools.

Fifth: Identify resource causes for each resource pool.

After identifying resource pools and separating fixed and variable costs, the appropriate causes of each resource pool must be identified, which can be explained by the following table:

Table (5). Cost-effective for resource pools

to	Resource Pool	Cost-causing
1	Indirect work resource pool	Direct working hours
2	Indirect material resource pool	Amount of materials (kg)
3	Motor Force Resource Pool	Machine running hours
4	Equipment Resource Pool	Number of times the equipment
5	Maintenance Services Resource Pool	Maintenance hours

Source: Researcher's Preparation

Sixth: Identify theoretical and practical energies and resource pool ratios.

In this step, we will determine the capacity of resource pools and fixed and variable cost ratios as follows:

Table (6). Identify theoretical and practical energies and resource pool ratios.

Resource pool	Theoretical energy	Practical energy	Fixed cost rate	Variable cost rate	Total rate

Indirect work pool	227,520 hours	113760 hours	2502 JD/h	51 dinars per hour	2553 JD/h
Indirect materials complex	-	25,000 kg	-	38 JD/KG	38 JD/KG
Motor Force Complex	165120 hours	44,552 hours	3939 JD/h	154 dinars per hour	4093 JD/h
Equipment Resource Pool	205 agents	177 factors	27,188 DINARS / WORKER	1097 JD /Worker	28,285 dinars /worker
Maintenance Services Resource Pool	1032 hours	502 hours	1153 JD/h	728 jd/h	1881 JD/h
Administrative and Marketing Expenses Resource Pool	1750000 kg	660,000kg	113.4 JD/kg	0.6 JD/h	114 jd/h

Source: Researcher's Preparation

The fixed cost rate of this resource is calculated by dividing fixed costs by theoretical energy (650,458,219 dinars/165,120 hours), i.e. the rate (3,939 dinars per hour), while the variable cost rate of this supplier is divided by the variable costs of this supplier by working energy (6,839,199 dinars/44,552 hours), i.e. the rate (154 JD/h).

Complexes (R&D Complex, Transport, Dispatch and Communications Complex, Other Service Supplies Complex) have fixed costs only, and cost rates are not extracted, but will be distributed to the activities benefiting from them and according to the rate of energy exploitation.

Seventh: Identify and distribute thecosts of resource pools **to activities.**

In this step, the resource pools consumed will be determined according to the activities and then these costs will be distributed to the activities, as the costs collected in each resource pool will be distributed as much as the activities consume from those resources and the costs of resource pools will be distributed to the activities according to the following equation:

Activity cost = share of activity from × resources (fixed cost rate + variable cost rate)

In other things, the consumption of resources is not carried out directly by the final product, but activities consume resources and final products consume activities, and once the capacity of the resources is determined, it is necessary to calculate their costs to determine the amount of resources used by the activities, and the activities that consume resource complexes in the bag/suit laboratory have been identified as follows: 1- Production activity 2- Maintenance activity 3- Driving force activity 4- Quality control 5-packaging 6-administrative 7-marketing as described in the following table:

Table (6). Resources consumed by activities from resource pools

Activities	Resource pool	Indirect action	Indirect materials	Driving forces	Equipment resources	Maintenance services	Administrative and Marketing Department
Production		41760	14000		65		
maintenance		14400	2250		22	502	
Driving forces		5760	2750	44552	9		
Quality control		4320	1750		7		

Packaging	7200	4250		11		
Administrative	36000			56		528000
Marketing	4320			7		132000
Total	113760	25000	44552	177	502	

SOURCE Researcher Numbers

The table above shows the resources consumed in resource pools based on the practical energy found in each resource pool.

After the researcher distributed the costs of resource pools to activities according to the amount of resources consumed, the idle energy will be identified by comparing the costs charged with the costs distributed to the activities through the following table:

Table 7. Idle energy costs under the resource consumption accounting system

Resource pool	**Costs achieved**	**Distributed costs**	**Idle energy costs**
Direct**costs**			
Direct Action Complex	1409944000	1409944000	0
Live Materials Complex	148503355	148503355	0
Total direct costs	1558447355	1558447355	0
Indirect costs			
Indirect work pool	575,111,273	290429280	284,681,993
Indirect materials complex	961,306	950000	11,306
Motor Force Resource Pool	657,297,418	182351336	474,946,082
Equipment Resource Pool	5,767,741	5006445	761,296
Maintenance services complex	1,555,500	944262	611,238
Advertising Complex	3,828,000	1443703	2,384,297
Transport, dispatch and communications complex	3,007,000	1134069	1,872,931
The rest of the service supplies complex	13,213,310	4983305	8,230,005
M. Administrative and Marketing Complex	199,115,203	75240000	123,875,203
Total indirect costs	1,459,856,751	562482400	989,761,041
Total costs	3,018,304,106	2120929755	897,374,351

Source: Researcher's Preparation

Eighth: Distribution of activities costs to products.

After the cost of resource pools has been distributed to activities and idle energy costs are determined, we will distribute the costs of each activity to the products and for the purpose of doing so, the researcher will extract the load rate distributed to the activities for the purpose of using it to distribute costs to the products as described in the following table:

Table (8). Activity allocation Rate

to	Activities	Costs	Activity wave	Unity	Activity load rate
1	Production	1667431160	Planned production volume	1750000	953
2	Maintenance	38415232	Number of maintenance times	68	564930

3	Driving forces	197415681	Number of machine hours	44552	4431
4	Quality control	11293455	Number of test times	325	34749
5	Packaging	18854235	Planned production volume	1750000	11
6	Administrative activity	159801334	Planned production volume	1750000	9
7	Marketing activity	27718658	Planned sales volume	645000	43

Source: Researcher's Preparation

We note from the table above that

- The cost wave of production activity includes direct costs (wages and direct materials) distributed and indirect costs allocated is the size of the planned production,
- The cost of maintenance activity is the number of maintenance times,
- The cost of motor power activity is the number of machine hours,
- The guide to quality control activity is the number of screening times,
- The packaging activity guide is the planned production volume.

Accordingly, the cost rate of each activity was reached after the allocation and distribution of costs by dividing the total cost of activities by the directions of those activities and through this rate the costs of each activity will be distributed to the products.

The costs distributed to the products for the purpose of extracting the total distributed costs will be compiled as described in the following table:

Table (9). Total cost of activities distributed to products

to	Products	Production	Maintenance	Driving forces	Quality control	Packaging	Administrative activity	Marketing activity	Total
1	PE41	64987877.42	1694789.647	3168257.585	486487.2923	734841.1157	6228234.164	884246.6775	78184733.9
2	PE45	60974609.68	1129859.765	2858078.52	416989.1077	689461.6655	5843615.182	793312.2894	72705926.21
3	PE46	60923157.53	1129859.765	2853647.391	347490.9231	688879.8777	5838684.169	792151.9735	72573871.63
4	PE5	68503774.38	1129859.765	2583348.492	416989.1077	774596.6169	6565186.691	963534.9318	80937289.98
5	PE1	93389464.53	2259719.529	1074157.88	486487.2923	1055987.994	8950153.115	1524741.063	118407611.4
6	PE42	66943059.14	1129859.765	2490294.773	590734.5692	756949.0529	6415612.642	928338.6824	79254848.63
7	PE16	88947428.86	2259719.529	7537351.261	451738.2	1005760.312	8524442.361	1424567.123	110151007.6
8	PE22	10235289.4	2824649.412	7581662.556	590734.5692	1157413.004	9809792.977	1727022.805	12605050564.8
9	PE50	73323125.81	1129859.765	3815202.49	694981.8462	829090.743	7027058.204	1072217.856	87891536.71
10	PE18	81692675.63	2259719.529	8928725.921	486487.2923	923728.2288	7829169.585	1260962.578	103381468.8

11	PE4	96407990.69	2259719.529	7005615.722	555985.4769	1090119.546	9239439.187	1591953.437	11815082 3.6
12	PEM	61386226.88	1694789.647	2889096.427	625483.6615	694115.9681	5883063.282	803024.5634	7397580 0.43
13	PEz2	79497383.88	1694789.647	7515195.614	416989.1077	898905.2817	7618779.715	1211455.766	9885349 9.01
14	PP2/A	103851401.8	2824649.412	2317923 8.36	590734.5692	1174284.851	9952792.342	1760671.966	1433337 73.3
15	PP40	174962085.1	3954509.176	3508125 2.17	764480.0308	1978358.718	16767817	3364314.512	2368728 16.7
16	PP13	154707088.5	3389579.294	2024583 0.64	145946 1.877	1749328.245	1482664 1.71	290753 6.813	1992854 67.1
17	PP2/1	234574165.6	5649298.824	4894182 5.21	191120 0.077	2652413.78	2248085 1.67	4708604.963	3209183 60.2
Total		16674308 05	3841523 2	1974156 81	1129345 5	1885423 5	1598013 34	2771865 8	2120929 400

Source: Researcher's Preparation

After reaching the total cost of the products, the researcher will calculate the manufacturing and marketing and administrative costs of one unit, i.e. per kg of nylon bags, by extracting the manufacturing and marketing and administrative costs per kg by dividing the total costs by the amount of production for each item of products.

Table (10)manufacturing costs per product in bag/suit factory

to	Products	Total industrial costs	Amount of production	Cost of manufacture per product
1	PE41	71072253.06	21456	3312
2	PE45	66068998.74	19350	3414
3	PE46	65943035.48	19323	3413
4	PE5	73408568.36	23301	3150
5	PE1	107932717.2	36360	2968
6	PE42	71910897.3	22482	3199
7	PE16	100201998.2	34029	2945
8	PE22	114513749	41067	2788
9	PE50	79792260.65	25830	3089
10	PE18	94291336.6	30222	3120
11	PE4	107319431	37944	2828
12	PEM	67289712.59	19566	3439
13	PEz2	90023263.53	29070	3097
14	PP2/A	131620309	41850	3145
15	PP40	216740685.2	79166.2	2738
16	PP13	181551288.6	68537.2	2649
17	PP2/1	293728903.5	110446.6	2659
		1933409408	660000	2929

Source: Researcher's Preparation

Table(10)shows thateach bag/suit plant product accounts for total industrial costs, which are the sum of each of the following activities (production activity, maintenance activity, driving activity, quality control activity and packaging activity) distributed to the products in accordance with the resource consumption accounting input after the costs were distributed to

appropriate resource pools, fixed and variable costs were separated, idle energy was separated and the cost of each product was extracted.

Table (11)marketing and administrative costs for each product in the bag/suit factory

to	Products	Marketing and administrative costs	Amount of production	Marketing and administrative cost per product
1	PE41	7112480.841	21456	331
2	PE45	6636927.471	19350	343
3	PE46	6630836.143	19323	343
4	PE5	7528721.623	23301	323
5	PE1	10474894.18	36360	288
6	PE42	7343951.325	22482	327
7	PE16	9949009.483	34029	292
8	PE22	11536815.78	41067	281
9	PE50	8099276.06	25830	314
10	PE18	9090132.164	30222	301
11	PE4	10831392.62	37944	285
12	PEM	6686087.846	19566	342
13	PEz2	8830235.481	29070	304
14	PP2/A	11713464.31	41850	280
15	PP40	20132131.52	79166.2	254
16	PP13	17734178.53	68537.2	259
17	PP2/1	27189456.63	110446.6	246
		187519992	660000	284

Source: Researcher's Preparation

Table(11)shows theshare of each bag/suit factory product share of total marketing and administrative costs, which are the sum of each of the following activities (administrative and marketing activity) and distributed to the products according to the resource consumption accounting input after the costs were distributed to appropriate resource pools, separated fixed and variable costs, separated idle energy and then extracted the cost of each product item.

By comparing the cost of products calculated according to the resource consumption accounting input with those calculated in accordance with the traditional input in the second research of this chapter, it is clear that the laboratory has achieved cost savings as shown in the table below.

Table (12) Comparing the cost of the product between the traditional entrance and the resource consumption accounting input

to	Product	Unit cost according to traditional entrance	Unit cost according to resource consumption accounting portal	Cost savings
1	PE41	3315	3643	-328
2	PE45	4411	3757	654
3	PE46	5153	3756	1397
4	PE5	3663	3473	190
5	PE1	6259	3256	3003
6	PE42	1898	3526	-1628
7	PE16	5433	3237	2196
8	PE22	3810	3069	741
9	PE50	2202	3403	-1201
10	PE18	8472	3421	5051
11	PE4	2347	3113	-766
12	PEM	1454	3781	-2327
13	PEz2	6948	3401	3547
14	PP2/A	11216	3425	7791
15	PP40	3953	2992	961
16	PP13	3735	2908	827
17	PP2/1	3091	2905	186

Source: Researcher's Preparation

Based on the above, it can be said that the first research hypothesis, which states:
(The application of the resource consumption accounting portal rationalizes customer costs compared to the traditional cost input)

Conclusions

The Resource consumption accounting helps allocate indirect costs more accurately and comprehensively and provides customer cost information that helps efficiently and effectively analyze customer profitability, profitability and support the competitive advantage of the plant. Achieving customer satisfaction leads to the retention of the customer and gaining his loyalty of repeating the purchase process, strengthening his association with economic unity and not resorting to other economic units. The success of customer cost and profitability analysis is based on choosing the appropriate way to analyze customer costs, accounting for resource consumption is one of the most effective and accurate approaches to the application of cost analysis and customer profitability analysis.

As a result of the lack of protection on national products and the increased supply of foreign products, the plant was unable to sell its products at the appropriate prices, which should cover their costs. By comparing the cost of products calculated according to resource consumption accounting with those calculated according to the traditional cost input, the plant's achievement of cost savings at the kg level is evident in most of its products. The need to use accounting for the consumption of resources in all productive economic units because of its advantages to help reduce the costs of the productive unit, and to determine the costs of idle energy on the basis of theoretical energy, the clear identification of idle energy for management achieves two objectives. Requires economic units to provide the best services to customers in

order to achieve customer satisfaction and attract new customers to maintain them, and to develop the appropriate strategy to gain their loyalty. Economic units should exploit their available resources, and the optimal use of resources is a basis for effective cost management. The researcher recommends not relying on the information provided by the traditional cost input when making administrative decisions because it is distorted and not suitable for dependence because it is unable to distribute costs to products accurately, and calculates the cost of idle (untapped) energy as part of the cost of the product. The need to pass a law to protect national products in order to help economic units in the public sector and the bag/suit plant to promote their products and provide the best of them so that they can compete in the local market.

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