

Examining the Efficiency and Efficacy of the Country's Public Accounting System in the Provinces

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ABSTRACT

The present study investigates the efficiency and efficacy of the country's public accounting system in the provinces. The survey research approach was used in this descriptive study. Managers of government agencies and organizations from around the country make up the statistical population. At a confidence level of 0.95, Krejcie and Morgan categorized the selected sample using a sampling technique and a random sample size table of a certain statistical population. From a community of 472 firms and provincial government agencies, a sample of 214 top managers of companies was chosen. The chosen sample was then given a questionnaire to fill out. Only 172 of the 216 issued surveys were returned. The information for this study was gathered in the field and in the library. A questionnaire with 37 questions in four sections was utilized as the approach. This study used regression analysis and the Fisher test with a 5% error level to examine research hypotheses using SPSS software. The findings of this study revealed a link between work ambiguity and the government accounting system and between work ambiguity and the breadth of the accounting system and decentralization and the government accounting system. There was also a significant relationship discovered between decentralization and the scope of the government accounting system, as well as between the scope of the government accounting system and the performance of government agency managers, and finally between the scope of the government accounting system and the performance of government agency managers. The findings of this study lead to the conclusion that the government accounting system in the country's provinces is efficient and effective.

Keywords: government accounting system, efficiency, effectiveness, scope.

Introduction

In civilizations where governments are chosen by popular vote, elected governments are responsible for holding individuals accountable for their actions. Governments must present justifications for problems such as financing, fundraising, the aims that these monies are intended to achieve, and how the money are spent as part of their accountability obligations. Given that in such societies, accountability takes the form of public declarations, the government financial accounting and reporting system is one of the most important instruments for communicating financial data and assisting the government in performing its responsibilities effectively and responsibly. An appropriate system of government accounting and financial

reporting should, according to the conceptual statements and approved standards of government accounting, assist the government on the one hand in performing its duty of accountability in a desirable and correct manner, and on the other hand, assist citizens and their legal representatives in assessing the government's public accountability. Experts and accounting standards development bodies see accountability as a strong foundation of the accounting and reporting system, and set goals and formulate government financial reporting models based on accountability, in light of the fundamental and important role that the accounting and financial reporting system plays in creating the necessary facilities for the realization and evaluation of the desired responsibility. It appears that the Government of the Islamic Republic of Iran's financial accounting and reporting system lacks the full features of a financial reporting system based on accountability, based on observations and accumulations in experiments and discussions raised by experts and executive officials of the country. Many research issues may be raised regarding the Islamic Republic of Iran's accounting and financial reporting system's appropriateness of accountability. In Iran, the traditional government accounting system is currently appropriate for a traditional government accounting framework in which the accounting system is designed to satisfy the demands of accountability and administrative control of sanctioned credits. Agents of the government are in charge of spending under this system. Demonstrating that monies were spent pursuant to the authorization granted by the legislature is now widely recognized. While this style of accounting and financial management system may meet conventional accountability issues, the information it provides is insufficient for management planning and decision-making. As a result, the goal of this research is to assess the efficiency and effectiveness of the government accounting system throughout the country's provinces.

Theoretical foundations

Efficiency and effectiveness

Calculating efficacy in a company is difficult. Organizations are often huge, have a variety of activities, and are dispersed around the country. They aim to attain a variety of aims and achieve a variety of outcomes, some of which were planned and others of which were not. Various indicators and methodologies have been presented to assess and measure the organization's performance, and each of them provides a distinct measure of the organization's effectiveness. Different departments are taken into account while assessing the success of the organization. The environment provides resources to organizations. They find them and hand them over to the victim. Using the goal-based strategy, attention is paid to the product with the organization's production and whether or not Ayaz has accomplished its goals according to the intended production level of the organization. The starting point of the organization's production process is examined, as well as whether the organization has been able to supply the required resources to produce exceptional performance, while measuring the effectiveness of the organization using the system resource-based technique. To assess the effectiveness of an organization using a technique based on internal processes, the activities within the organization are analyzed, and the effectiveness of the organization is measured using indications of efficiency and health inside the organization.

In this part, we explain how to assess the effectiveness of an organization utilizing the goal-based technique, as well as the resource system method, the internal process method, the stakeholder satisfaction method, and the competitive values method.

Governmental Accounting

Governmental accounting is a mechanism for gathering and reporting financial data on the actions of government ministries and organizations in order to make national choices and monitor the government's authorized yearly program and financial resources. Accounting for the government may also be thought of as an information system. This information system is a collection of procedures and regulations for collecting, classifying, comprehensibly summarizing, and reporting financial information from a public or private entity in the form of financial statements. The financial data accessible to the institution's managers, which is utilized to assist them be more accountable, is summarized (Babajani, 2003, 13). The theoretical

foundations of public accounting, which developed in the last two decades of the twentieth century and transformed the public financial reporting accounting systems of developed countries at the turn of the twenty-first century, are centered on accounting and financial reporting systems based on public accountability. Government accounting systems should be designed and operated in such a way that they impose public accountability on governments while also providing individuals with the information they need to assess elected officials' accountability performance. In a research, Chang (1996) found that high decentralization and a management accounting system with a broad scope of action had a positive interacting impact on managers' performance. Fisher (1996) investigated the impact of observed environmental ambiguity on the breadth and timeliness of the system Management accounting in a research. Through the mediating element of management accounting system (scope and timeliness), it was discovered that there is no direct association between observed environmental ambiguity and managers' performance in this study. In a study of the influence of market rivalry on domain size, Mia and Clark (1999) examined the management accounting system. According to the findings of the study, increased market competitiveness combined with broad use of information relevant to the scope of the management accounting system increases the business unit's performance.

Due to the interconnectedness between the components of the management accounting system, Bowens and Ebranti (2000) found that customer orientation has an indirect link with the management accounting system. In a research, Tsui (2002) looked at how national cultural characteristics and employee engagement in the budgeting process affected the scope and timeliness of the management accounting system. In this study, the link between management accounting system and performance was modeled using both variables at the same time. Chinese executives' performance was dramatically lowered by a combination of high involvement and a robust accounting system, although this was not the case for Western executives. Chang (2006) used the scope factor in the management accounting system to look at the impact of elements like work-related information and job ambiguity on managers' performance. A substantial three-way interaction between the aforesaid factors was demonstrated in this investigation.

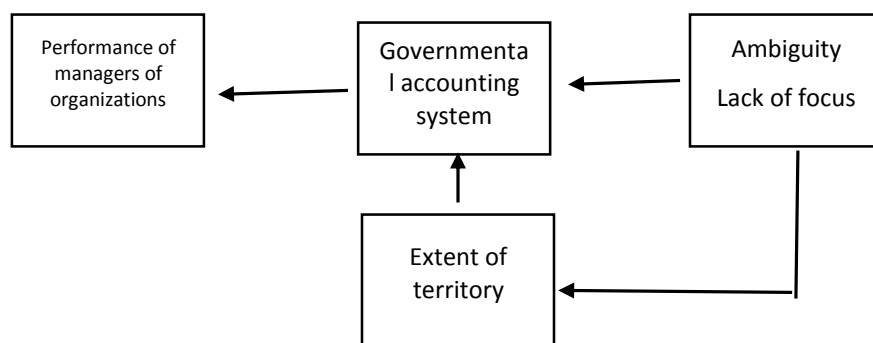


Figure1: Analytical model

Method

In terms of purpose and descriptive survey approach, the current study is used. The selected sample was done through stratified sampling method and using a random sample size determination table of a certain statistical population of Krejcie and Morgan at a confidence level of 0.95. The statistical population of this study includes managers of government departments and organizations in the provinces of the country, according to the factors limiting cost and time. A sample of 214 senior managers from government agencies and organizations was drawn from a community of 472 active manufacturing enterprises in the provinces' industrial town; the sample was chosen to be representative of the community. The chosen sample was then given a questionnaire to fill out. Only 172 of the 216 surveys issued were returned. The information for this

study was gathered using two methods: field and library. A questionnaire, which is divided into two pieces, is used in field research. The first section contains four questions that are generic in nature and pertain to the reply. The second section contains specific questions to examine the hypotheses, which consists of 37 questions divided into four sections. The management accounting system had a dependability of 0.966, an integrity of 0.731, a timeliness of 0.867, aggregation levels of 0.879, territory of 0.878, management performance of 0.917, decentralization of 0.839, and ambiguity of 0.737. The Cronbach's alpha scores computed for the questionnaire reflected the questions' reliability and validity.

Using SPSS software, the study hypotheses were examined using regression analysis and the Fisher test with a 5% error level.

Findings

First, the Kolmogorov-Smirnov test revealed that the distribution of research data was normal, thus the research hypotheses were analyzed using the Pearson correlation test.

Table 1. Investigating the relationship between work ambiguity with the accounting system

Variable	Mean and standard deviation	Correlation value	coefficient of determination	significance level
Working ambiguity with the accounting system	3.12±0.56 2.92±0.58	0.908	0.83	0.0001

The investigation of the association between work ambiguity and the accounting system revealed that the two variables had a substantial relationship (correlation value 0.908 and significance level 0.0001). Based on this, it can be inferred that work uncertainty and the government accounting system have a positive and significant relationship.

Table 2: Investigating the relationship between working ambiguity and the scope of the accounting system

Variable	Mean and standard deviation	Correlation value	coefficient of determination	significance level
working ambiguity and the extent of scope	3.12±0.56 2.99±0.58	0.913	0.83	0.0001

The investigation of the association between job ambiguity and the scope of the accounting system revealed that the two variables had a substantial relationship (correlation value 0.913 and significance level 0.0001). Based on this, it can be stated that work ambiguity and the breadth of the public accounting system have a positive and significant relationship.

Table 3: Investigating the relationship between decentralization and accounting system

Variable	Mean and standard deviation	Correlation value	coefficient of determination	significance level
Decentralization with the accounting system	3.12±0.56 2.92±0.58	0.89	0.79	0.0001

The examination of the relationship between decentralization and the accounting system revealed that the two factors had a substantial association (correlation value 0.89 and significance level 0.0001). On this basis, it can be argued that decentralization and the government accounting system have a favorable and significant relationship.

Table 4: Investigating the relationship between decentralization and the scope of the accounting system

Variable	Mean and standard deviation	Correlation value	coefficient of determination	significance level
Decentralization with the extent of scope	3.12±0.57 2.99±0.57	0.88	0.77	0.0001

The examination of the link between decentralization and the breadth of the accounting system revealed that the two variables had a substantial association (correlation value 0.88 and significance level 0.0001). On this basis, it can be argued that decentralization and the breadth of the public accounting system have a favorable and significant relationship.

Table 5. Investigating the relationship between government accounting system and the performance of managers of government organizations

Variable	Mean and standard deviation	Correlation value	coefficient of determination	significance level
Public accounting system with the performance of managers of government organizations	2.92±0.58 2.89±0.61	0.84	0.71	0.0001

There is a substantial association between the above two factors, according to a research of the relationship between government accounting system and the performance of government managers (correlation value 0.84 and significance level 0.0001). On this basis, it is possible to infer that the government accounting system and the performance of government managers have a positive and significant relationship.

Table 6: Investigating the relationship between the scope of government accounting system and the performance of managers of governmental organizations

Variable	Mean and standard deviation	Correlation value	coefficient of determination	significance level
Extent of scope with the performance	2.99±0.57 2.98±0.61	0.78	0.61	0.0001

The relationship between the breadth of the government accounting system and the performance of government managers was examined, and it was discovered that the two variables had a substantial association (correlation value 0.78 and significance level 0.0001). Based on this, it can be stated that the breadth of the government accounting system and the performance of government managers have a positive and significant relationship.

Conclusion

The present study aimed to investigate the efficiency and efficacy of the country's public accounting system in the provinces. The findings revealed that there is a substantial association between the aforementioned two factors in the examination of the relationship between work ambiguity and the accounting system (correlation value 0.908 and significance level 0.0001). A, it can be inferred that work uncertainty and the government accounting system have a positive and substantial link. The investigation of the association between job ambiguity and the scope of the accounting system revealed that the two variables had a substantial relationship (correlation value 0.913 and significance level 0.0001). Accordingly, it can be stated that work ambiguity and the breadth of the public accounting system have a positive and substantial relationship. The examination of the relationship between decentralization and the accounting system revealed that the two factors had a substantial association (correlation value 0.89 and significance level 0.0001). Accordingly, it can be argued that decentralization and the government accounting system have a favorable and significant relationship. The examination of the link between decentralization and the breadth of the accounting system revealed that the two variables had a substantial association (correlation value 0.88 and significance level 0.0001). On this basis, it can be argued that decentralization and the breadth of the public accounting system have a positive and significant relationship. There is a substantial association between the above two factors, according to a research of the relationship between government accounting system and the performance of government managers (correlation value 0.84 and significance level 0.0001). On this basis, it is possible to infer that the government accounting system and the performance of government managers have a positive and significant relationship. The relationship between the breadth of the government accounting system and the performance of government managers was examined, and it was discovered that the two variables had a substantial association (correlation value 0.78 and significance level 0.0001). Accordingly, it can be stated that the breadth of the government accounting system and the performance of government managers have a positive and significant relationship.

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