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Article

Difficulties in accounting system implementation for service costs in the public sector

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ACCOUNTING, CORPORATE GOVERNANCE & BUSINESS ETHICS | RESEARCH ARTICLE

Difficulties in accounting system implementation for service costs in the public sector

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business & management

Obiedah Mohammad Alqudah¹*, Noorhayati Mansor² and Safrul Izani Mohd Salleh³

Abstract: The current study aims to identify the role of difficulties in implementing a public service cost accounting system in Jordan. The methodology of this study focused on applying a quantitative approach. The survey sample consisted of 53 of his employees who gained knowledge about the survey process of Jordan's service cost system. A questionnaire (90) was distributed, and each participant used a targeted sampling technique. This is because few workers are interested in the cost system for services. The study finds several results that play an important role in calculating the cost of services in Jordan, including public sector factors (institutional objectives, institution-specific issues, human resources, and mechanisms at internal and state levels). Current research helps improve the performance and development of the financial system. Its main goal is to improve the effectiveness of government services while increasing budget realism and increasing savings and openness in public spending.

Subjects: Accounting; Production, Operations & Information Management; Public & Nonprofit Management; Corporate Social Responsibility &Business Ethics

Keywords: cost accounting system service; institutional difficulties; human resource difficulties; internal mechanisms; state mechanisms; institutional objectives; public sector; Jordan

1. Introduction

Originally, cost accounting was thought to be a mechanism for valuing inventory and calculating the cost of sales for a certain time. Therefore, The costs were kept to a minimum by using a mechanical and relatively simple procedure (Owusu, & Alhassan, 2021). However, cost accounting has exceeded financial accounting as a critical information system in both public and commercial enterprises. Furthermore, cost accounting has evolved beyond the mathematical formula and has evolved into a managerial activity in which accountants play an important role (Hasyim & Jabid, 2019). Implementing a cost accounting system provides continuous updates on the behaviour and structure of expenditures and the efficiency of producing services. Recorded spending is also used to examine the relative efficiency of resource allocation by each administration (Miraj & Wang, 2019). On the other hand, general utility accounting serves as a starting point for applying analytical and government accounting. New governmental frameworks are being used (as in other European countries) as part of accounting standards Like New Zealand when it updated its cost system in 2015 (Kajüter & Schröder, 2019).

The institution had an advantage or sufficient funds when operating in the non-profit sector. Moreover, businesses are simpler than they are today, with less variety and complexity of goods,





services, and consumers. Firms can therefore make mistakes that are offset by revenue, thereby obscuring mistakes and bad decisions (Hilorme et al., 2019). The margin of error is small. Businesses can no longer make as many mistakes as they did in the past. Preparing offers and investment decisions today requires the use of a very sharp pencil. Most of our competitors are aware of the causality that creates costs (Modugno & Di Carlo, 2019). However, in other situations, the systems for determining costs are inadequate and the process of producing accounting results for strategic decisions may be inaccurate and not reflected in management reporting (Hokkinen, 2021).

Jordan has a dialectical process in the field of management accounting. However, this involves the process of redesigning key accounting disciplines. The position of public sector accountants, who are now basic collectors of information and preparers of financial statements and tax information, needs to be developed by participating in management teams and providing decisionuseful information and sticking to the system that has been activated in developed countries such as New Zealand and Sweden (Tahat et al., 2018). This study, therefore, shows the trend and even greater need to establish cost accounting systems suitable for the operation of Jordanian public institutions. Furthermore, this research aims to develop a cost system and link it with financial accounting and identify the stock dynamics in the process and elucidate the structure of the process, the stream, that adds value to a product or service. increase. Evolving costs and accounting dynamics in public institutions in Jordan (Hilorme et al., 2019). Similarly, the study should build a system that informs not only the cost of a product or service, but also the cost of providing it, including the type of customer or user, or the activity associated with the distribution channel through which it is delivered is intended for the place. Accordingly, a questionnaire will be built in this study until solutions are identified in the cost-service system.

This research contributes to the government's financial planning, which determines to spend on government services. Spending on services is most valuable, especially in developing countries like Jordan. Therefore, analytical accounting schemes must be formalized to allow the public sector to reverse its control based on management reports. Services and products must be improved and redesigned to create non-commercial services and delivery processes improved to ensure future viability. The structure of this document contains the following elements: The study design is presented in Section 3. Section 5 uses descriptive analysis methods to examine data, test hypotheses, and draw conclusions. Section 6 reviews the results, considers potential theoretical and practical implications and highlights the limitations of the study.

2. Literature review

This section highlights various empirical and theoretical investigations into the implementation issues of public sector accounting systems, which are fundamental aspects of the accounting approach specified in global accounting standards. In addition, we provide detailed empirical analysis. This is an important step in all types of research, both academic and scientific.

2.1. Cost accounting

The purpose of cost accounting in non-profit public institutions is to provide decision-making information to various users and improve overall operational efficiency. Government agencies that carry out manufacturing processes (Mohsin, et al, 2022). In addition, bodies responsible for the regulation and supervision of financial and administrative processes, and higher government authorities (Mohsin, et al, 2022). On the other hand, people who are end users of public production can understand the cost of these items and the measures taken to reduce them without compromising the quality of the goods and services produced (Hasyim & Jabid, 2019).

Costing techniques are defined as processes that transform input data to produce informational outputs that enable the production of an organization's products and services to be determined (Haghipour et al., 2022; Hilorme et al., 2019). This approach requires operating information on the financial execution of spending budgets and human resources, purchasing and contracting,

inventory and asset management systems (Kajüter & Schröder, 2019; Love et al., 2021). As a central premise, the methodology given emphasizes the relationship between capturing costs, defining "cost centers", and program categories used in the budgeting process. As a result, it complements and strengthens the criteria for reviewing program category expenditure allocations established when budgets are drawn up (Hokkinen, 2021).

Cost accounting should not only provide the management information necessary for decision making, but also support general accounting in its role of inventory measurement and results measurement (Acharya et al., 2022; Miraj & Wang, 2019). Accounting and financial regulations influence the overall organizational performance of government (Rahayu et al., 2022). According to Beeri et al., 2019) and Rokhayati et al., 2022), economic and organizational success depends on better judgment. This requires an effective system for measuring results. Accounting in this environment is under pressure to provide users with economic, financial, physical and productive statements and analysis related to the subject of accounting (Mohr, 2019).

Accounting is an evolving science whose primary purpose is to classify, measure and evaluate the financial operations performed by a company, record, integrate and is to create an appropriate information base for execution. Receive management and decision-making in external and internal contexts (Biondi, 2011; Modugno & Di Carlo, 2019). Furthermore, cost accounting is the act of quantifying the monetary expenditures made to achieve an organization's goals. This application helps businesses estimate economic losses due to product consumption, asset depreciation, and deductions (Yatsenko, 2018, May). Nevertheless, cost accounting and financial accounting are her two central aspects of accounting. Both stem from the need for clearly defined goals and expertise (Mohr, 2019).

2.2. Service costs

Carrying out carrier service costs in an enterprise is important as it permits the short evaluation of fees worried in generating merchandise and handing over offerings required for the enterprise to retain operations (Sjödin et al., 2020). This permits the corporation to acquire the earnings announcement right away in place of ready till the give up of the length whilst the overall accounting is calculated (Tahat et al., 2018). Cost records withinside the public quarter are important for figuring out the performance and exceptional spending. In phrases of the countries that use this system, they have greater slender awareness of completely technical issues (Lapuente & Van de Walle, 2020). According to Choi (2021). investigates requirement institutional concept for such changes withinside the regular lives of servants have to entail adjustments in organizational norms, values, and practices.

The suits this quest through the institutional lens to investigate how the governments integrated current control technologies (Miraj & Wang, 2019). As a result, having a fee accounting plan allows agencies to reply to disaster situations greater quickly. This is due to the fact this era makes it less difficult to degree expenditures, which allows you to compel the deployment of plans to guard the company's potential to retain operations (Hasyim & Jabid, 2019). Businesses have needed to interact in virtual transformation a good way to adapt to the brand new normal, which has led to faraway paintings and the introduction of measures to enhance their operations. These corporations may also discover themselves navigating a sea of numerous limitations if they do now no longer have well-timed and actual pricing records (Tseng & Pilcher, 2017). The agile and brief fee evaluation will assist them to make the route figure and keep away from turning stuck (Kajüter & Schröder, 2019).

Service costing is an information system that can be used to record, determine, distribute, accumulate, analyze, interpret, regulate, and report costs of production, sales, administration, and financing. However, it is important for any business. When businesses lack proper cost accounting, they are hit hard by: (Loft, 2020). Efficient pricing tactics are therefore hampered and sales prices must be determined with manufacturing costs in mind. Therefore, without

accurate and up-to-date cost figures, it is difficult to troubleshoot properly and make adjustments over time. Ultimately, this can have a significant impact on corporate profits (Guerreiro & Amaral, 2018; Minoufekr, & Flapper, 2019).

In addition, it prevents you from knowing the most profitable activities. Cost accounting shows which operations are profitable and which are loss-making (Trujillo-Ponce, 2013). So if you don't do this activity correctly, you'll find it difficult to develop a strategic plan of action, and you'll end up focusing on work that may not bring you the money you need. Moreover, it makes firms less competitive (Carleton et al., 2022). Costs Understanding a company's competitive advantage requires analysis. In this way, you can determine which parts of the production chain can be improved to increase customer value, which parts can be cut to reduce costs, and eliminate cost-generating but non-profitable operations (Almatarneh et al., 2022). In addition, combined with a study of competition and supplier relationships, you can find competitive advantages that can help your company protect and strengthen its market position. It is a barrier to innovation and investment. Cost information is important in answering questions about the feasibility of innovation (Sun et al., 2020). Nevertheless, it interferes with budget control. Fair cost estimating is a technique for detecting waste and expenses, cost overruns in work processes, and losses due to staff and machine non-operation, among other costs that have a significant financial impact on an organization (Fang et al., 2017).

2.3. The Jordanian government faces difficulties in developing a cost accounting system in the public sector

Even if a company does not have a proper cost accounting system in place, it is easy to make erroneous decisions, lose complete control of funds, plan, control and evaluate work processes to make a profit. not (Hokkinen, 2021). The cost system shows some principles and how to implement them. These are described in more detail in this work, and although they apply to a wide range of organizations, they are characterized by the fact that such practices are more common in the private sector. relatively new and little studied in the current literature (Steiss, 2019). Several factors contribute to the fact that much of what we know about public sector costs remains untapped. The mere fact that public institutions generally do not pursue commercial objectives and therefore do not operate in competitive markets means that they do not have the "competitiveness requirement" to control costs as systematically as private enterprises (Liu et al., 2022). Despite astounding progress in Jordan's public accounting, there are insufficient administrative tools to directly monitor the expenditures of certain public institutions, for example, the accuracy of the municipal products and services they provide. It is impossible to know the exact cost (Mohr, 2019).There is a wealth of approaches and information on the use of cost systems and cost management in the private sector. Such procedures have existed for many years. Originally developed in industrial firms, it eventually spread to service industries and evolved through various accounting and control practices (Alkarawy et al., 2021; Alqudah, et al., 2019).

However, with a better understanding of private sector management and accounting, Jordan's public sector has seen significant changes in management paradigms in recent years, with the bureaucratic state becoming more flexible to the administrative state. One of the most serious accounting problems in the public sector is work backlog due to the lack of time to put in place a systematic work system and the inability to access all records and reflect them in accountants' accounts. Additionally, not documenting cash movements will make it impossible to track your money. Furthermore, with a qualified technical staff that is part of the workforce, cost control strategies are typically implemented in large organizations, enabling them to improve their competitiveness and longevity. Developing a service costing system is difficult because there are few calculation experts (Al-Doori, 2021; Al-Kharabsheh, 2021; Al-Qudah et al., 2020; Nimri et al., 2015).

The Jordanian government struggles to develop cost accounting systems in the public sector due to lack of information and technical expertise. Discovering and applying approaches to managing

costs that are perceived and used by large enterprises can improve control (Alkarawy et al., 2021). Therefore, preliminary preparations are necessary for the work of building a management system. This requires a professional technical approach, an understanding of human interaction, and good data processing skills of the company. Some basic aspects of system implementation. B. Full support from top management, an analysis of the costs and benefits of information generated by the system, and the recognition that the system itself does not generate information and must be continually revised and updated explain this care. Yes (Hammitt, 2021; Alqudah et al., 2021, September).

2.4. Hypothesis development

Research on the effectiveness of government services is developing in four main areas. Initially, some studies focused on measuring and improving efficiency in real-world applications, often focused on specific types of government services in one country. Second, government efficiency was treated quantitatively using statistics on government service input, but no results were used. Third, some studies assess the efficiency of public services based on outputs rather than inputs. Finally, some looked at both inputs and outputs. However, these studies do not consistently compare the efficiency of government services across countries. (Niasti et al., 2019) argue that institutional goals eliminate bias in standard costing systems and provide a more representative cost metric for better decision-making. The institution's goals have been cited as one of the most important managerial breakthroughs of the past century (Attanayake & Aktan, 2015). This shifts management's focus away from the traditional emphasis on short-term planning, oversight and decision-making, and product costing to a more integrated, strategic, and competitive focus on the company's cost structure. A cost management method that moves to a sensitive approach (Quesado & Silva, 2021). Institutional difficulties have become an essential tool for improving the competitiveness of business organizations by opening up new ways of allocating overhead costs when determining the cost of products and other cost items. Placement issues are not a new concept in the public sector (Bozorgmehriana et al., 2012). Many companies are effectively using internal and state-level mechanisms to adjust pricing structures and better manage resources. The benefits of well-structured internal and governmental mechanisms go beyond increased cost awareness. Internal and governmental mechanisms are primarily focused on the operations necessary to achieve corporate objectives, so managers must increase operational efficiency and eliminate or reduce non-value added operations (Nielsen, 2022). Information extracted from the government services system was used for product pricing, procurement, new product development, and product profitability analysis (Lu et al., 2017). Product mix selection (Baki & Cheng, 2021; Homburg et al., 2018). Customer Profitability Analysis (Bataineh, 2018). Cost of quality analysis (Tran & Tran, 2022). Commons decision (Mowen, et al, 2022). Environmental management (Viranda et al., 2020). Project management (Kusuma & Bima, 2022), software development (Abdo et al., 2021; Lee et al., 2022; Wangrow et al., 2015), etc.

This study is based on the following assumptions, which are informed by the investigation of past and theoretical studies linked to the subject of this research, and are based on the study question and its objectives:

- H1: The institution's objectives have a positive influence on the Services cost accounting in Jordan's public sector.
- H2: The difficulties specific to the institution have a positive influence on the Services cost accounting in Jordan's public sector.
- H3: The difficulties specific to human resources have a positive influence on the Services cost accounting in Jordan's public sector.

- H4: The mechanisms at the internal level have a positive influence on the Services cost accounting in Jordan's public sector.
- H5: The mechanisms at the state level have a positive influence on the Services cost accounting in Jordan's public sector.

3. Methodology

The interest of this research is to discover the relationships between different variables. The quantitative approach was used to examine the relationships between variables effect of public sector factors that influence on services cost accounting in Jordan's public sector. Data was collected using a questionnaire and a quantitative analysis method was done (Punch, 2013).

The desire to better grasp a problem scenario that has to be researched and understood justifies scientific study endeavors. There are additional practical reasons for conducting this research effort because the end result is a set of guidelines that can effectively guide the practical application of the knowledge gained during the investigation process so that services cost systems can be built using some of the fundamentals discovered in this work.

3.1. Sampling population

The survey was limited to Jordanian public sector employees. This group demonstrates a good awareness and growing interest in the cost of services. The research unit was made up of people from different sectors of the Jordanian public sector. The Jordanian government has hired workers interested in service cost accounting. Therefore, the qualifications of employees interested in service costing in the Jordanian public sector were used as a reference. The sample should meet employees interested in service cost accounting (Birmingham & Wilkinson, 2003).



3.2. Sampling size

We used the SPSS program to calculate the sample size. For an effect size of 0.15, a confidence level of 95%, a significance level of 0.05, and a statistical power of 95%, you should collect at least 50 samples. However, (Krejcie & Morgan, 1970) recommend using at least 70 samples for consistent results when using statistics. Statistics is a powerful statistical software platform (SPSS). A sample size of less than 70 can lead to unstable parameter values and insufficient statistical significance (Birmingham & Wilkinson, 2003). As a result of this policy, the minimum sample size for this study was set to 70 to allow for adequate statistical analysis. because of very few employees are familiar with the service cost of the system.

3.3. Procedure of data collection

The study relied on primary data collected from individuals working in the fields of cost accounting, operations management, services, and business excellence in the Jordanian government and collected 53 questionnaires from 38 government agencies, including the general budget department. General social insurance agencies, tax offices, etc. Interested in hosting services and need access to the Internet. Data were collected using an online questionnaire. Therefore, the data collection period was approximately 4 weeks (10 June 2022 to 30 August 2022). At the end of the data collection process, we received 53 valid questionnaires that were used for analysis. In fact, questionnaires are used to achieve research objectives based on the above concepts. This questionnaire includes all variables, each based on previous research. The questionnaire consists of four sections. Preface, Demographic Questions, Respondent Answers, and public sector factors Affecting Costs of Public Sector Services in Jordan.

4. Data analysis and findings

4.1. Background of respondents

Using the SPSS.26 technique a statistical analysis was performed. Whereas, the SPSS was used as a preliminary and advanced analysis (coding the data and Descriptive Statistics), which is useful for research that has a relatively small sample size with a (complicated) interaction effect model (Cronk, 2017; Hinton et al., 2014). According to (Hinton et al., 2014), the SPSS.26 technique is particularly suitable in situations where the "study is exploratory" in nature. It is also relevant when the study objectives emphasize predicting and explaining variance in the main indigenous variable using different variables (Hinton et al., 2014). These cases are applicable to this study where the main objective is to develop a model that explains employee retention in the Jordanian public sector context.

This section consists of demographic information of respondents including gender, age, and experience. Table 1 illustrates the demographic information.

As indicated in Table 1, the majority of the respondents were male comprising (54.7%), while the remaining are female (45.3%). In terms of educational qualification, the majority of the respondents belong to the educational qualification group "BA" (43.4%), while the least educational qualification group of respondents were those "Business management diploma" at (1.9%). Regarding career level, the majority of the respondents belong to the career level group "Head of the Department" (35.8%), following the career level group "Manager" (28.3%), the career level group of "accountant" at (13.2%), while the least career level group of respondents were those "Engineer" at (1.9%). Regarding age, the majority of the respondents belong to the age group "From 40 to less than 50" (43.4%), following the age group between "from 30 less than 40" years (52.8%), the age group of "From 50 to less than 60" at (11.3%), while the least age group of respondents were those "From 20: less than 30" at (3.8%). In terms of experience, (45.3%) had "less than 5 years", (15.1%) had "From 5: less than 10", (11.3%) had "From 10: less than 15", (15.1%) had "From 15: less than 20", and (13.2 %) had "from 20 and over".

Table 1. Demograp	hic information of respondents	s (N = 53)	
Variables		Count	Percentage
Gener	Male	29	54.7
	Female	24	45.3
Educational	master	21	39.6
Qualification	ВА	28	52.8
	Business management diploma	1	1.9
	PhD	3	5.7
Career Level	Researcher	8	15.1
	Head of the Department	19	35.8
	Internal Auditor	3	5.7
	Manager	15	28.3
	accountant	7	13.2
	Engineer	1	1.9
Age	From 20: less than 30	2	3.8
	from 30 less than 40	22	41.5
	From 40 to less than 50	23	43.4
	From 50 to less than 60	6	11.3
Years of Experience	less than 5 years	24	45.3
	From 5: less than 10	8	15.1
	From 10: less than 15	6	11.3
	From 15: less than 20	8	15.1
	from 20 and over	7	13.2
total = 53	· · · · · · · · · · · · · · · · · · ·		•

4.2. Descriptive analysis of variables

Responses to the variables in this study were measured using a 5-point Likert scale. 1 represents "strongly disagree" and 5 represents "strongly agree". Based on the descriptive statistics shown in Table 1, the mean values of the variables range from 3.247 to 4.226, with perceived utility having the lowest mean and the public sector factor having the highest mean. All variables average above 3, indicating that the majority of respondents agree that these factors affect the cost of public sector services in Jordan. The median cost of service is 3.96, meaning that respondents are between neutral and cost of service, closer to the latter than the former. Regarding the variability of the responses, we observe that all variables have a standard deviation of less than 1, which is considered reasonable.

4.3. Measurement model analysis

The theoretical framework presented in the literature review was modeled in SPSS software using real-world data collected from research studies as showm in Figure 1. The independent variable for the public sector factor has five subvariables. 13 points for agency goals, 10 points for agency-specific issues, 8 points for human resources-specific issues, 8 points for internal-level mechanisms, and 8 points for national-level mechanisms. There are six dependent variables for investment decisions. Since constructs are reflective, single-headed arrows point outward from the construct towards its indicator. Only reliable (consistent) valid constructs are suitable for causality testing. Therefore, it is important to test reliability and validity (Sekaran & Rani, 2010). All items are therefore reliable because, according to the findings of the current investigation, all the variables fall within the range of.76 and 84. Finding the variable with the greatest mean will help to show

Table 2. Descri	ptive statistics	of the study var	iables		
Variables	Ν	Minimum	Maximum	Mean	Std. Deviation
Institution's objectives	53	2.35	4.42	3.50	.441
Difficulties specific to the institution	53	3	5	3.81	.406
Difficulties specific to human resources	53	3	5	4.00	.478
Mechanisms at the internal level	53	3	5	3.79	.296
Mechanisms at the state level	53	3	5	3.92	.390
Services cost accounting	53	3	5	3.96	.452
Valid N (listwise)	53				

how respondents responded to the survey (DeSimone et al., 2015). Therefore, the items in this study were ranked by mean, highest to lowest, as shown in Table 2. The services cost accounting had a mean of (3.96) and a standard deviation of (0.478), while difficulties unique to human resources had the greatest mean (4.00) and lowest standard deviation (0.478). (0.452). Mechanisms at the state level come next, with a mean of (3.92) and a standard deviation of (0.390), followed by Difficulties specific to the institution, with a mean of (3.81) and a standard deviation of (0.390). (0.406). Mechanisms at the internal level received a mean of (3.79) and a standard deviation of (0.296). The variable Institution's objectives received the lowest mean, with a mean of (3.50) and a standard deviation of (0.441).

Table 3 presents the Minimum, Maximum, Mean, Std. Deviation SMA, and, relative weight to (13) paragraphs regarding (the objectives of applying service cost accounting in the public sector).

The previous tables depict descriptive statistics according to the objectives of applying service cost accounting in the public sector. The first order of cost accounting provides decision-makers with the right information at the right time, the relative weight of 90.6% and Std. Deviation 0.586. In the second place, both cost accounting raises the level of financial efficiency, cost accounting helps to ensure the effectiveness of the cost control system with a relative weight of 88.3% and Std. Deviation 0.465, 0.772. In third place, both came from cost accounting supports the requirements of total quality management systems, cost accounting facilitates the process of comparing the ways of providing service to choose the best among them relative weight 86.4% and Std. Deviation are 0.65, 1.021, and in fourth place cost accounting helps prioritize improvement in service delivery processes relative weight 85.3%. In last order, Cost Accounting aims to achieve the company's vision relative weight 81.1% and Std. Deviation 0.394.

institution's objectives Table 4 presents the Minimum, Maximum, Mean, Std. Deviation SMA, and, relative weight to (10) paragraphs regarding (the difficulties specific to the institution in applying service cost accounting in the public sector).

The previous table shows the distribution of sample members based on the difficulty of applying service cost accounting in the public sector (difficulties specific to the institution). In the first order, both came from the lack of an advanced operations management system, and the routine management negatively affects the application of service Cost Accounting relative weight 81.9% and Std. Deviation 0.586, 1.085. In the second place, there is no integration and interdependence

Table 3. Descriptive	e statistics according	y to the objectives o	f applying service c	ost accounting in th	ne public sector		
Paragraph	z	Minimum	Maximum	Mean	Std. Deviation	SMA	relative weight
Cost accounting aims to achieve the company's vision	53	m	Ŋ	3.66	0.394	4.1	81.1
Cost accounting raises the level of financial efficiency	53	m	Ŋ	3.95	0.465	4.4	88.3
Cost accounting raises the level of government services provided to clients	53	m	N	4	0.5	4.1	82.6
Cost accounting helps prioritize improvement in service delivery processes	53	m	IJ	3.88	0.376	4.3	85.3
Accounting for fair pricing of government services based on the cost of each service provided	53	2	2	4.28	0.662	4.1	81.9
Cost accounting provides the right information to decision-makers at the right time	53	2	IJ	4.34	0.586	4.5	906
Cost accounting helps to ensure the effectiveness of the cost control system	53	2	N	3.98	0.772	4.4	88.3
							(Continued)

Table 3. (Continued	0						
Paragraph	z	Minimum	Maximum	Mean	Std. Deviation	SMA	relative weight
Cost accounting helps measure organisational performance	23	2	Ю	4.04	0.831	4.1	82.6
Cost accounting supports the requirements of institutional excellence programs	23	2	2	3.7	0.774	4.2	83.8
Cost accounting supports the requirements of total quality management systems	23	m	IJ	4	0.65	4.3	86.4
Cost accounting facilitates the process of comparing the ways of providing service to choose the best among them	23	7	μ	3.64	1.021	ά. Ά	86.4
Cost accounting guides service developers towards innovation and smart transformation of government services	23	2	2	3.72	0.818	4.2	83.8
Cost accounting systems contribute to advancing development and achieving prosperity	23	7	υ	4.28	0.662	4.2	83.8
Valid N (listwise)	53						

Table 4. Descriptive std	itistics according	y to the difficulties sp	pecific to the institu	ution in applying se	rvice cost accounting	j in the public secto	L
Paragraph	z	Minimum	Maximum	Mean	Std. Deviation	SMA	relative weight
The absence of legislation (laws— regulations) supporting the application of accounting for service costs in the government sector	23	2	5	3.72	0.818	3.8	76.6
The electronic financial systems used do not meet the current necessary and expected requirements for calculating the costs of services	23	2	ъ	3.72	0.818	3.8	75.8
Failure to provide clear and published evidence in more than one means for government services	53	F1	Ω	3.49	0.993	3.9	78.1
Heterogeneity and harmony of government services provided in various agencies	53	2	2	4.28	0.662	3.9	78.5
Lack of an advanced operations management system	53	2	'n	4.34	0.586	4.1	81.9
						-	(Continued)

Table 4. (Continued							
Paragraph	Z	Minimum	Maximum	Mean	Std. Deviation	SMA	relative weight
There is no integration and interdependence between the internal systems such as the operations system, the services system, the innovation system and others)	S	2	μ		0.772	4.1	81.5
Lack of information supporting the application of service cost accounting in the government sector	53	1	2	3.55	0.992	3.9	78.5
Weak cooperation between employees and each other in the relevant departments on the same side	53	2	ν	3.57	0.636	3.8	22
Routine administration negatively affects the application of service cost accounting	53	1	ى	3.49	1.085	4.1	81.9
There is a dearth of specialists in the cost accounting of government services	53	2	2	4	0.734	3.9	78.1
Valid N (listwise)	53						

between the internal systems such as the operations system, the services system, the financial system, the innovation system, etc., with a relative weight of 81.5% and Std. Deviation 0.772. In third place, both came from lack of information supporting the application of service Cost Accounting in the government sector, heterogeneity and harmony of government services provided in various agencies relative weight 78.5%, Std. Deviation 0.992 and in fourth place equally in the ratio between the lack of clear and published evidence in more than one means of government services; there is a dearth of specialists in the field of accounting for government services costs relative weight 78.1% and Std. Deviation 0.993, 0.734. In last order, the electronic financial systems used do not meet the current necessary and expected requirements for calculating the costs of services relative weight 75.8% and Std. Deviation 0.818.

Table 5 presents the Minimum, Maximum, Mean, Std. Deviation SMA, and, relative weight to (6) paragraphs regarding (the difficulties specific to human resources in applying service cost accounting in the public sector).

The previous table shows the distribution of the sample members according to difficulties in applying service cost accounting in the public sector (difficulties specific to human resources). In the first order, both came from failure to provide a clear mechanism for accounting for service costs; taking into account the privacy of the public sector failure to provide a clear means of accounting for service costs that take into account the privacy of the public sector relative weight of 84.2% and Std. Deviation 0.818. In the second place, the scarcity of training programs that support the application of service accounting in the public sector relative weight of 79.6%, Std. Deviation 0.772 and in the third place, existing expertise is not specialized in the application of service costs that are shared by more than one institution relative weight of 75.8%, Std. Deviation 0.993 and in order fifth unwillingness of service cost accountants in the public sector to develop their innovative skills in line with the rate of global changes weight relative of 70.6%, Std. Deviation 0.586 and in sixth place poor accounting skills for public sector workers relative weight of 69.4% and Std. Deviation 0.662.

Table 6 presents the Minimum, Maximum, Mean, Std. Deviation SMA, and, relative weight to (8) paragraphs regarding (the mechanisms at the internal level that help implement service cost accounting in the public sector).

The previous table shows the distribution of the sample members according to mechanisms that help implement service cost accounting in the public sector (at the internal level). In the first order, came the development of current accounting systems relative weight of 92.5%, Std. Deviation 0.627 and in second place strengthening the concepts of institutional excellence and the total quality management system and spreading its culture relative weight of 92.1%, Std. Deviation 0.530, and in third place provides a modern and automated operations management system that defines all activities of service delivery operations relative weight of 91.7%, Std. Deviation 0.511 and in fourth place develop professional training programs for accounting staff relative weight of 90.6%, Std. Deviation 0.419,0.456 and in order fifth both educating employees about the services guide and its role in calculating service costs, supporting and spreading the culture of change management as a tool that helps to apply modern service cost accounting with weight relative of 90.2%, Std. Deviation 0.0.456 and in sixth place implementation of field visits to see the best global, regional and local practices and experiences the relative weight of 89.1% and Std. Deviation 0.339.

Table 7 presents the Minimum, Maximum, Mean, Std. Deviation SMA, and, relative weight to (8) paragraphs regarding (the mechanisms at the state level that help implement service cost accounting in the public sector).

Table 5. Descriptive stati	stics according	to the difficulties s	specific to human re	sources in applying	service cost account	ting in the public se	ctor
Paragraph	z	Minimum	Maximum	Mean	Std. Deviation	SMA	relative weight
Failure to provide a clear mechanism for accounting for service costs that take into account the privacy of the public sector	53	2	J.	3.72	0.818	4.2	84.2
Existing expertise is not specialized in the application of service cost accounting in the public sector	23	2	υ	3.72	0.818	3.8	77
The presence of some costs that are shared by more than one institution	53	-	Ŋ	3.49	0.93	3.8	75.8
Poor accounting skills for public sector workers	53	2	Ŋ	4.28	0.662	3.5	69.4
The unwillingness of service cost accountants in the public sector to develop their innovative skills in line with the rate of global changes	53	2	υ	4.34	0.586	3.5	70.6
The scarcity of training programs that support the application of service accounting in the public sector	53	2	υ	3.98	0.772	4	79.6
Valid N (listwise)	53						

Table 6. Descriptive	statistics accordin	g to the mechanism	s at the internal lev	el that help implem	ent service cost acco	unting in the public	sector
Paragraph	z	Minimum	Maximum	Mean	Std. Deviation	SMA	relative weight
Develop professional training programs for accounting staff	53	2	S	3.71	0.419	4.5	90.6
Development of current accounting systems	53	2	S	3.39	0.627	4.6	92.5
Interconnection and integration of internal systems electronically and directly	53	m	'n	3.83	0.456	4.5	90.6
Implementation of field visits to see the best global, regional and local practices and experiences	53	m	ν	3.64	0.339	4.5	89.1
Provide a modern and automated operations management system that defines all activities of service delivery operations	23	m	2 2	4.02	0.511	4.6	91.7
Educating employees about the services guide and its role in calculating service costs	53	2	2	4.19	0.576	4.5	90.2
						-	(Continued)

Table 6. (Continued	œ.						
Paragraph	z	Minimum	Maximum	Mean	Std. Deviation	SMA	relative weight
Support and disseminate the culture of change management as a tool that helps to implement modern service cost accounting	23	m	ν	3.82	Ч. О	4.5	90.2
Strengthening the concepts of institutional excellence and the total quality management system and spreading its culture	23	m	υ	3.72	0.530	4.6	92.1
Valid N (listwise)	53						

Table 7. Descriptive	e statistics accordine	g to the mechanism	s at the state level t	that help implement	service cost accoun	ting in the public se	ctor
Paragraph	z	Minimum	Maximum	Mean	Std. Deviation	SMA	relative weight
He issued binding legislation for all government agencies to calculate the costs of government services	23	5	ß	3.72	0.948	4.4	88.7
Promote the concepts of government cost accounting	53	2	Ω	3.72	0.948	4.4	88.3
Develop strategic performance indicators for government services costs	53	2	2	3.72	0.818	4.5	90.2
Hiring specialists outside expertise	53	2	5	4.28	0.662	3.8	77
Adopting an integrated project at the country level, especially in calculating the costs of government services	23	2	ى	4.04	0.831	4	80
Interest in exchanging accounting experiences at the level of government agencies	23	5	υ	3.7	0.774	4.4	87.5
							(Continued)

Table 7. (Continued	0						
Paragraph	z	Minimum	Maximum	Mean	Std. Deviation	SMA	relative weight
Activating the integration between the cost accounting system and other systems (accounting, operations, services, etc.)	53	m	Ŋ	3.88	0.376	4.5	9.06
Promote innovative accounting studies in the field of service costs	53	2	Ŋ	4.28	0.662	4.4	88.3
Valid N (listwise)	53						
4		-			-		

The previous table shows the distribution of the sample members according to mechanisms that help implement service cost accounting in the public sector (at the state level) .In the first order activating the integration between the cost accounting system and other systems (accounting, operations, services, etc.)The relative weight of 90.6%, Std. Deviation 0.376 and second place develop strategic performance indicators for government services costs relative weight of 90.2% and Std. Deviation 0.818. In third place, he issued binding legislation for all government agencies to calculate the costs of government services relative weight of 88.7% and Std. Deviation 0.948. In fourth place, both promoted the concepts of government cost accounting and promoted innovative accounting studies in the field of service costs relative weight of 88.3%, Std. Deviation 0.662 and in order fifth, interest in exchanging accounting experiences at the level of government agencies weight relative of 87.5%, Std. Deviation 0.774 and in sixth place adopting an integrated project at the country level, especially in calculating the costs of government services relative weight of 80.0%, Std. Deviation 0.831 and in the seventh rank, the use of specialized external expertise, with a relative weight of 77.0% and Std. Deviation 0.662.

4.4. Correlation analysis

On the other hand, the association between subjective norms and taxpayers who engage in tax evasion is shown to be r = 0.394 (p 0.05) Table 8's analysis of the correlation between variables, indicating that there is a statistically significant relationship between the two variables. The Pearson correlation coefficient for the relationship between services cost accounting and institutional difficulties, human resource difficulties, internal mechanisms, state mechanisms, institutional objectives, and those variables is r = 0.608 (p 0.05), r = 0.908 (p 0.05),773,789, and r = 0.197 (p 0.05), respectively. Besides a statistically significant level of p 0.05 and n = 53, it suggests that the independent factors and the study's dependent variable have a positive association.

According to Table 8, there was a lower correlation between difficulties special to the institution and the services cost accounting (.608; p. 05) and a higher correlation between difficulties specific to human resources (.908; p. 01). In contrast, the connection between Institutional goals and Services cost accounting was (.197; p. 01), and the correlation between Difficulties Specific to Mechanisms at the Internal Level was (.773; p. 01). The findings show that all of the variables are significantly correlated at (p.01, p. 05).

4.5. Linear regression analysis

Table 9 shows the regression coefficients for tax evasion as independent variables to the dependent variable. Where (p0.01), all variables are significant. The services cost accounting had the highest t-value, which was found to be (t-value = 8.049). This showed that the independent variables had the most impact on explaining the services cost accounting, the dependent variable. The lowest t-value (t-value = -2.152) showed that with Institution's objectives. The greatest t-value for Difficulties specific to human resources was at (1.349), whereas mechanisms at the internal level had a t-value of (1.349). (8.349). The independent variable highly correlated with the dependent variables, according to the results of the testing hypotheses. Therefore, all theories are accepted.

5. Discussion

The study's goal was to learn more about the challenges involved in implementing a cost accounting system in the public sector. Likewise, the model used in this study has undergone evaluation by the public sector, highlighting the significance of a cost accounting system in obtaining exceptional results. Jordan's entire public sector can oversee and allow the implementation of any methods or tools, including the cost accounting system (Quesado & Silva, 2021). Therefore, Jordan's total performance might not be enhanced by the cost accounting method. The study's findings can also provide light on connections between institutional difficulties, human resource difficulties, internal mechanisms, state processes, and institutional objectives in the context of services cost accountings. The findings of this study, which emphasize services cost accounting as a relationship supervisor, can also support results-based care.

I able o. Correlatio	in analysis of the stud	uy variables					
Variables		Services cost accounting	Difficulties specific to the institution	Difficulties specific to human resources	Mechanisms at the internal level	Mechanisms at the state level	Institution's objectives
Services cost	Pearson Correlation	1	.608**	.908**	.773**	.789**	.197
accounting	Sig. (2-tailed)		000.	000.	000.	000.	.158
	Z	53	53	53	53	53	53
Difficulties specific	Pearson Correlation	.608**	1	.410**	.797**	.390**	.347*
to the institution	Sig. (2-tailed)	000.		.002	000.	.004	.011
	z	53	53	53	53	53	53
Difficulties specific	Pearson Correlation	.908**	.410**	1	.652**	.771**	.214
to human resources	Sig. (2-tailed)	.000	.002		000.	000.	.123
	Z	53	53	53	53	53	53
Mechanisms at the	Pearson Correlation	.773**	.797**	.652**	1	.576**	.331*
internal level	Sig. (2-tailed)	.000	000 [.]	.000		000.	.015
	Z	53	53	53	53	53	53
Mechanisms at the	Pearson Correlation	.789**	.390**	.771**	.576**	1	.254
state level	Sig. (2-tailed)	.000	.004	000.	000.		.066
	Z	53	53	53	53	53	53
Institution's	Pearson Correlation	.197	.347*	.214	.331*	.254	-
objectives	Sig. (2-tailed)	.158	.011	.123	.015	.066	
	Z	53	53	53	53	53	53
**. Correlation is signi	ficant at the 0.01 level (2	-tailed).					
*. Correlation is signifi	cant at the 0.05 level (2-	tailed).					

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Table 9. Line	ear regression	analysis of tl	he study varia	ibles							
Dependent Variable	Model Summery	ANOVA	Coefficient								
	R	R ²	Ľ	F	Df	State	B	Std. Error	Beta	Т	т
				Sig							Sig
Services cost accounting	0.593	0.351	15,534	0.083*	172/6	(Constant)	-0.482	0.271		-1.774	0.083
						Difficulties specific to the institution	0.248	0.082	0.223	3.035	0.004
						Difficulties specific to human resources	0.59	0.071	0.623	8.349	0
						Mechanisms at the internal level	0.181	0.134	0.119	1.349	0.184
						Mechanisms at the state level	0.206	0.079	0.178	2.604	0.012
						Institution's objectives	-0.101	0.047	-0.099	-2.152	0.037

Even though the first hypothesis was confirmed by utilizing Pearson correlation and linear regression analysis to determine the impact of the institution's objectives and services cost accounting in Jordan's public sector. The results reveal a statistically significant correlation between the two variables, indicating a strong connection between an institution's objectives and its services cost accounting. It is clear that cost accounting in the public sector determines the cost of carrying out the activity and promptly provides decision-makers with the necessary information, meeting the strategic goal of financial efficiency and enabling getting the best results given the available resources. Additionally, it does the necessary comparisons to estimate the performance costs of comparable organizational units over time. Projects and programs that aim to accomplish economic and social growth as well as deliver government services at the needed level and at the lowest cost must be properly implemented by the government administration. These results agree with earlier studies (Choi, 2021; Lapuente & Van de Walle, 2020; Sjödin et al., 2020). H1 is therefore approved.

Although the influence of the difficulties specific to the institution and services cost accounting in Jordan's public sector was determined by using Pearson correlation and linear regression analysis, the second hypothesis was validated. The findings show a statistically significant association between the two variables, showing a strong link between institutional-specific challenges and public sector services cost accountings. The aforementioned makes it evident that there have been a number of improvements in the cost systems that have caused people to reevaluate the old cost accounting systems, which have come under heavy fire for the information they provide that is inaccurate and irrelevant. The activity-based costing system (ABC) was developed in response to the contemporary environment and those old costing systems' detractors. However, it was also the target of numerous criticisms, particularly because it requires a contemporary integrated infrastructure made up of a sophisticated accounting system, an automated processes management system, and others. In addition to the high expenditures associated with conducting extensive research and worker interviews necessary to compile the data and information needed to finish the ABC system the use of discretion and personal judgment in deciding how much time to devote to facility activities, as well as the difficulty of maintaining the system due to changes in operational procedures and changes in the amount of resources used, such as an increase in the number of products and distribution channels and a change in customer preferences. These findings support past research (Alkarawy et al., 2021; Hammitt, 2021; Algudah et al., 2021, September). Therefore, H2 is approved.

Whereas using Pearson correlation and linear regression analysis to assess the influence of the challenges particular to human resources and services cost accountings in Jordan's public sector, the third hypothesis was shown to be correct. The findings show a statistically significant association between the two variables, pointing to a close relationship between services cost accountings and issues unique to human resources. The aforementioned makes it abundantly evident that the activity cost accounting system was originally created to fulfill the needs of industrial enterprises (products), and that it was later applied to satisfy those of the services sector, which saw a rapid expansion in the private sector. It was discovered that the method does not take the public sector's privacy into account through the government sector's recent trend to quantify the price of government services. Due to the lack of specialized capabilities in this area and the novelty of the notion of calculating the costs of government services, there is currently no mechanism in place to address the needs of the public sector, which results in price distortions for services and goods. The outcomes of preceding investigations (Hokkinen, 2021; Kajüter & Schröder, 2019; Love et al., 2021) are in agreement with these outcomes. Therefore, H3 is approved.

Even though the impact of the internal processes and the services cost accounting in Jordan's public sector was determined using Pearson correlation and linear regression analysis, the fourth hypothesis was still supported. The findings demonstrate a statistically significant association between the two variables, pointing to a close relationship between internal mechanisms and services cost accountings. The aforementioned makes it clear that the current cost accounting application mechanisms must create accounting systems and automate the systems that support

them, as well as assess the effects of using cost data and its calculation outputs on improving financial efficiency, service efficiency, and the rationalization of public spending. Along with educating all public sector stakeholders on the value of cost accounting and striving to strengthen human resources. These findings support past research (Biondi, 2011; Modugno & Di Carlo, 2019; Yatsenko, 2018, May; Mohr, 2019). Therefore, H4 is approved.

But even though the influence of the state-level procedures and the services cost accounting in Jordan's public sector were determined using Pearson correlation and linear regression analysis, the fifth hypothesis was nevertheless supported. The findings demonstrate a statistically significant association between the two variables, pointing to a close relationship between state-level mechanisms and services cost accountings. The requirements listed above make it abundantly evident that cost accounting must be performed through an automated, integrated system with a commitment to excellence if timely delivery of accurate data and information is to be guaranteed, as well as efficiency in the handling of accounting tasks. It is advisable to work on the enactment of legislation requiring government agencies to apply the calculation of government service costs while bolstering this legislation with a comprehensive guide for calculating the costs of government services prepared by specialized researchers to assist cost accountants work in a systematic, institutional, and consistent manner at the state level in a manner that ensures the achievement of the concept of one government. The findings of preceding investigations (Choi, 2021; Lapuente & Van de Walle, 2020; Sjödin et al., 2020) support these findings. Therefore, H5 is approved.

6. Conclusion and suggestions for future research

The Jordanian government has made it clear in recent years that it is interested in fixing the cost of public service delivery. Various agencies within the government are being asked to improve the effectiveness of their services. Currently, the King Abdullah II Center for Excellence evaluates government agencies against the criteria set out in the King Abdullah II Government Excellence Awards. The most prominent award categories for excellence deal with services and the methods of delivering those services. Because of the importance of determining government service spending, the service efficiency (cost) criterion is considered one of the highest requirements. The King Abdullah Center for Excellence aims to draw the attention of Jordan's public sector decisionmakers to the importance of improving service efficiency. Lower prices because it puts a heavy strain on the state budget. Furthermore, it emphasizes the need for accurate estimates of government service expenditures by allowing the Jordanian government to: supplying sound judgment components for budget negotiations with the federal government, nations, and other organizations who give loans, grants, and financial resources to sustain the financial system.

- assisting government organizations in achieving their primary goals of assessing service costs and finding high-priority areas for improvement in service delivery operations, particularly high-cost procedures and activities.
- ensuring knowledge of the mechanisms governing the evolution of service costs and, consequently, of the degrees of improvement or degradation in the management efficiency of public institutions, in order to adopt the necessary steps.
- evaluating the evolution of the costs incurred for the production of goods or the supply of services to complement and enrich the analysis conducted on the physical-financial execution of the budget.
- enhancing and broadening external and budget system-governing body public management oversight.
- presenting its financial statements in a way that is suitable and compliant with international public sector accounting standards, which includes revealing its service-related expenses, which make up the majority of the budget, in a way that is compatible with accounting principles.

To know what works and what doesn't, the Jordanian government needs to be able to compare results and better understand the costs associated with providing public goods and services. Therefore, you need information about whether the resources you have invested in are delivering

the desired success. For example, why some schools, hospitals and prisons are more expensive to serve than others and whether the results achieved by these units meet the needs and expectations of the public. You have to judge.

For accurate and accurate knowledge and control of expenses. Facilitating the costing of government services in an appropriate and broadly applicable manner, not limiting the work to previous or current methodologies and theoretical frameworks, as it has so far proven to be wholly ineffective Creating a model or mechanism is essential. The main purpose of service cost calculation is to increase the efficiency and economics of service. If new mechanisms were developed and used to properly account for the costs of government services, this would facilitate the review and improvement of service delivery processes, as well as increase the level and effectiveness of financial management in the public sector.

The pandemic has changed cost structures and created a range of new goods and services. As a result, they are no longer profitable. This fact allows companies to change their pricing strategies. Reimagine your production processes and reshape your service portfolio. Transform supply networks and redesign goods and services. Pay attention to what benefits you and even adjust your tactics. This is now also true for the public sector, especially against the backdrop of privatization and outsourcing of public services to the private sector.

Determining the provision and pricing of government services that form the basis of government budgets. Considering that services are the biggest financial burden, the most well-known general techniques for creating a cost accounting system currently accessible, which will assist us in creating a system in the future that is expressly intended for the public sector and also applicable to service businesses as follows:

- In order to diagnose something, we need to be aware of the entity, its mode of operation, and the setting in which it was created, whether public or private.
- That is required to understand the official requirements for cost information as well as the demands of managers, shareholders, and directors.
- That must identify the cost objects and construct the cost centers based on the diagnostic and the information needed. Using data from cost accounting, determine the registration, distribution, integration, comparison, and reporting processes. Accounting dynamics
- Creating thorough cost analysis reports, in general, by processes, at the balance point, for fixed and variable costs, and reports compared to revenue, as well as gathering data on profitability by operation, customer, manufacturing line, service, etc.
- providing input on the system to enable further improvement.
- Implement the changes and handle the data in the cost accounting system.

Based on the findings of study, it is now urgently necessary to estimate the costs of government services. Governments from Dubai, Australia, New Zealand, and other nations are among those working on this. This significance results from the contemporary rivalry between the public and private sectors in the provision of numerous services, particularly in industrialized nations. In addition, several nations outsource their services to the private sector in quantities that don't reflect the true cost of providing public services. A predetermined fee for each transaction, however, is successful in attempting to reduce the sector. After learning from its mistakes, it went back to work on more precise cost estimations for government services, notably the Diamond Project for Dubai. Therefore, in order to accurately determine the costs of its services, comply with international accounting standards for the public sector, and produce value-added outputs that help increase the financial efficiency of the public sector, every government in the world must meet the following fundamental requirements:

• a highly adaptable, contemporary, and sophisticated accounting system that is linked and integrated with other systems.

- All service delivery processes and activities are defined by an integrated and automated processes management system.
- a manual or comprehensive description of the services offered and how they interact with other internal or external services provided by other government entities.
- A skilled and knowledgeable non-traditional human cadre equipped to handle the demands and advancements associated to figuring out the price of government services.
- In order to achieve the primary goal of calculating service costs, which is to increase service
 efficiency, an integrated system for innovation in services is provided as an added value. Through
 this system, all ideas and suggestions related to developing services and improving service delivery
 processes are listed.

In the conclusion, there are still a lot of academics and professionals working hard to advance this field, which we support and urge to continue. We also anticipate that these experts will offer methodical, scientific solutions that aid accountants in properly and precisely estimating the expenditures of government services.

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