THE EFFECT OF IMPLEMENTATION OF ACCRUAL ACCOUNTING IN THE DECISION-MAKING EXECUTIVES OF NORTHWEST UNIVERSITY OF MEDICAL SCIENCES

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Abstract
In recent years, the frequency of attempts to implement accrual accounting in the public sector, some countries do have reporting systems in our country in recent years, efforts to use the accrual accounting system occurred throughout the University of Medical Sciences countries according to their bylaws and financial transactions that use this system have been approved. The main purpose of accounting and financial reporting systems in universities to provide information that could act as effective managers in corporate decision-making executives. The present study investigates the impact of the implementation of accrual accounting to meet the medical directors of the North West University (Ardabil, East Azerbaijan, West Azerbaijan, Zanjan, Hamedan, Kurdistan, Ilam, Kermanshah) is discussed. The sample consisted of 180 managers in 1392 is mentioned universities and research information using a questionnaire containing 27 items with a Cronbach's Alpha 943 /. Were collected for this purpose, initially characterized by descriptive statistics on the demographic questionnaire and the responses obtained are presented in the next step inferential statistical tests such as t-Student (hypothesis- the test statistic for), and the Variance analysis Friedman (for ranking hypotheses) was used. The results of testing research hypotheses suggest that the managers of Medical Sciences, University of the North West directors influence the implementation of accrual accounting in the decision variable. The results showed that the implementation of accrual accounting in management decision making speed of decision-making is most effective and timely receipt of minimum impact indicators shall be accepted.

Keywords: accrual accounting, Decisions of managers, Medical University

INTRODUCTION
From time immemorial, accounting for governments and government agencies has been on a cash basis. No change was contemplated until the early 1980s when it was considered appropriate that government business enterprises should move closer to commercial accounting principles practiced in the private sector either on a full accrual or a modified accrual basis.

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A number of the contributors argue that cash-based financial reporting and accrual-based reporting are both useful and that neither one on its own can provide adequate information to meet the needs of governments. It is acknowledged that cash-based systems offer simplicity and objectivity in terms of the demands they place on preparers of financial reports. Cash-based information is credited with being useful for assessing compliance with cash budgets and for monitoring and estimating (Montesinos & Bargues, 1992) a government's cash resources (Ross & Kelly, 1994). However, it is also contended that cash-based information fails to show a proper picture of financial position and performance and to enable decision-makers to look ahead to estimate whether governments can continue to afford the services they currently deliver, or whether they can afford new services, on the basis of full-cost information (Richardson 1993; Ross & Kelly, 1994).

It is contended that any reform is considered successful only when it brings about changes in the behavior of the people the reform is targeted toward (Mellor, 2008). Accrual reporting is only one part of a comprehensive package of reforms that can lead to improvements in the management of public sector resources. Budgeting and planning on an accrual basis are also essential in enabling governments to realize benefits from the reforms. (Mellor, 2008; Richardson, 1993).

It is noted that accrual accounting is a tool, not an end in itself (Ström, 1997). It is a tool for decision-makers that can help them to make better decisions and improve the allocation of scarce government resources. However, the benefits of this improved decision-making can be difficult to quantify. The costs of implementing new systems and training personnel are usually much easier to measure.

It is acknowledged that the costs of developing information systems can be high (Montesinos & Bargues, 1994; Ström, 1997). There are a number of new processes that governments must adopt in order to move from a cash-based system to an accrual-based system and changes are needed throughout government, from the agency or departmental level to the whole of government level. Change also involves a human cost. Some people will resist change because it involves an effort and may move them from the familiar to the unfamiliar. The providers of information and the managers and politicians that will use the information need to broaden their thinking if they are to benefit by a move from a cash-based system to an accrual-based system.

It is also evident that financial and management reforms need to have the support of politicians if they are to succeed (Richardson, 1993). There needs to be an incentive for change and the reforms in each of the jurisdictions that have moved to an accrual-based reporting system have been backed by legislative change. In order to gain the support of legislators, those who support a move to accrual-based reporting must be able to demonstrate that the benefits of doing so outweigh the costs.

Decision-making can be regarded as the cognitive process resulting in the selection of a belief or a course of action among several alternative possibilities. Every decision-making process produces a final choice that may or may not prompt action. Decision-making is the study of identifying and choosing alternatives based on the values and preferences of the decision maker. Decision-making is one of the central activities of management and is a huge part of any process of implementation. Human performance with regard to decisions has been the subject of active research from several perspectives:

- Psychological: examining individual decisions in the context of a set of needs, preferences and values the individual has or seeks.
- Cognitive: the decision-making process regarded as a continuous process integrated in the interaction with the environment.
- Normative: the analysis of individual decisions concerned with the logic of decision-making and rationality and the invariant choice it leads to (Kahneman & Tversky, 2000).
Decision-making can also be regarded as a problem-solving activity terminated by a solution deemed to be satisfactory. It is, therefore, a reasoning or emotional process which can be rational or irrational and can be based on explicit assumptions or tacit assumptions. Rational choice theory encompasses the notion that people try to maximize benefits while minimizing costs (Gilbert Wegner, 2011). Some have argued that most decisions are made unconsciously. Jim Nightingale states that "we simply decide without thinking much about the decision process (Nightingale, 2008)."

Cognitive shortcuts, biases, and psychological distortions are, of course, not confined to the decisions to use force. Though they certainly deserve special attention in these types of decisions, they are ever present in our daily lives as well (Jervis, 2006, p. 650).

**METHODOLOGY**

In this study to collect data has been used library. Methods to research literature and has been used Field Methods to answer questions. We determined the amount of the sample size with the used of p.q sampling method which the statistical sample is 180 of executives of Northwest University of Medical Sciences, which have been selected through the simple random sampling method.

To gathering of data, we used questionnaires with 27 items. All the reliability and validity of measures has examined. Questionnaires reliability was estimated by calculating Cronbach’s Alpha 0.943.

In order to analyze the data resulted from collected questionnaires deductive and descriptive statistical methods are used, and to display some statistical data we used column diagram and in deductive level to test the questions of the research we used one simple T test. The analysis has performed with SPSS.

**RESULTS and CONCLUSION**

The One-Sample T Test compares the mean score of a sample to a known value. Usually, the known value is a population mean. Also, one sample t-test allows us to test whether a sample mean (of a normally distributed interval variable) significantly differs from a hypothesized value.

**Hypothesis 1:**
- **Null:** Implementation of accrual accounting has not significant impact on management decision making for timely receipt of resource in northwest of Iran
- **Alternate:** Implementation of accrual accounting has significant impact on management decision making for timely receipt of resource in northwest of Iran.

Table 1 shows sample output of a one-sample T test for above hypothesis. We compared the mean level of management decision making for timely receipt for our sample to a known population value of 3.

**Table 1:** The results of one-sample T test

<table>
<thead>
<tr>
<th>Variable</th>
<th>df</th>
<th>t</th>
<th>Sig</th>
<th>Mean Difference</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>management decision making for timely receipt</td>
<td>177</td>
<td>7.204</td>
<td>.000</td>
<td>.5842</td>
<td>.424</td>
<td>.744</td>
</tr>
</tbody>
</table>

T value is 7.204 in 177 degrees of freedom. The significance value is 0.000. The estimated significance (0.000) is less than .05. Therefore, we can say that implementation of accrual
accounting has significant impact on management decision making for timely receipt of resource in northwest of Iran.

**Hypothesis 2:**
- **Null:** Implementation of accrual accounting has not significant impact on Decisions of management control in northwest of Iran
- **Alternate:** Implementation of accrual accounting has significant impact on Decisions of management control in northwest of Iran.

Table 2 shows sample output of a one-sample T test for above hypothesis. We compared the mean level of decisions of management control for our sample to a known population value of 3.

<table>
<thead>
<tr>
<th>Variable</th>
<th>df</th>
<th>t</th>
<th>Sig</th>
<th>Mean Difference</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decisions of management control</td>
<td>172</td>
<td>18.31</td>
<td>.000</td>
<td>.0154</td>
<td>.906</td>
<td>1.1249</td>
</tr>
</tbody>
</table>

T value is 18.31 in 172 degrees of freedom. The significance value is 0.000. The estimated significance (0.000) is less than .01. Therefore, we can say that implementation of accrual accounting has significant impact on decisions of management control in northwest of Iran.

**Hypothesis 3:**
- **Null:** Implementation of accrual accounting has not significant impact on speed of management control in northwest of Iran
- **Alternate:** Implementation of accrual accounting has significant impact on speed of management control in northwest of Iran.

Table 3 shows sample output of a one-sample T test for above hypothesis. We compared the mean level of speed of management control for our sample to a known population value of 3.

<table>
<thead>
<tr>
<th>Variable</th>
<th>df</th>
<th>t</th>
<th>Sig</th>
<th>Mean Difference</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>speed of management control</td>
<td>172</td>
<td>21.29</td>
<td>.000</td>
<td>1.233</td>
<td>1.118</td>
<td>1.347</td>
</tr>
</tbody>
</table>

T value is 21.29 in 172 degrees of freedom. The significance value is 0.000. The estimated significance (0.000) is less than .01. Therefore, we can say that implementation of accrual accounting has significant impact on speed of management control in northwest of Iran.

**Hypothesis 4:**
- **Null:** Implementation of accrual accounting has not significant impact on managers operational decisions in northwest of Iran
- **Alternate:** Implementation of accrual accounting has significant impact on managers operational decisions in northwest of Iran.

Table 4 shows sample output of a one-sample T test for above hypothesis. We compared the mean level of managers operational decisions for our sample to a known population value of 3.
Table 4: The results of one-sample T test

<table>
<thead>
<tr>
<th>Variable</th>
<th>df</th>
<th>t</th>
<th>Sig</th>
<th>Mean Difference</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>managers operational decisions</td>
<td>169</td>
<td>16.88</td>
<td>.000</td>
<td>1.19</td>
<td>1.05</td>
<td>1.32</td>
</tr>
</tbody>
</table>

T value is 16.88 in 169 degrees of freedom. The significance value is 0.000. The estimated significance (0.000) is less than .01. Therefore, we can say that implementation of accrual accounting has significant impact on managers operational decisions in northwest of Iran.

Hypothesis 5:
- Null: Implementation of accrual accounting has not significant impact on management decision making in confidence terms in northwest of Iran
- Alternate: Implementation of accrual accounting has significant impact on management decision making in confidence terms in northwest of Iran.

Table 5 shows sample output of a one-sample T test for above hypothesis. We compared the mean level of management decision making in confidence terms for our sample to a known population value of 3.

Table 5: The results of one-sample T test

<table>
<thead>
<tr>
<th>Variable</th>
<th>df</th>
<th>t</th>
<th>Sig</th>
<th>Mean Difference</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>management decision making in confidence terms</td>
<td>172</td>
<td>18.31</td>
<td>.000</td>
<td>1.015</td>
<td>.906</td>
<td>1.123</td>
</tr>
</tbody>
</table>

T value is 18.31 in 172 degrees of freedom. The significance value is 0.000. The estimated significance (0.000) is less than .05. Therefore, we can say that implementation of accrual accounting has significant impact on management decision making in confidence terms in northwest of Iran.

Hypothesis 6:
- Null: Implementation of accrual accounting has not significant impact on management decision making in detail budget in northwest of Iran
- Alternate: Implementation of accrual accounting has significant impact on management decision making in detail budget in northwest of Iran.

Table 6 shows sample output of a one-sample T test for above hypothesis. We compared the mean level of management decision making in detail budget for our sample to a known population value of 3.

Table 6: The results of one-sample T test

<table>
<thead>
<tr>
<th>Variable</th>
<th>df</th>
<th>t</th>
<th>Sig</th>
<th>Mean Difference</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>management decision making in detail budget</td>
<td>177</td>
<td>13.45</td>
<td>.000</td>
<td>0.806</td>
<td>.688</td>
<td>.924</td>
</tr>
</tbody>
</table>

T value is 13.45 in 177 degrees of freedom. The significance value is 0.000. The estimated significance (0.000) is less than .05. Therefore, we can say that implementation of accrual
accounting has significant impact on management decision making in detail budget in northwest of Iran.

**Hypothesis 7:**
- Null: Implementation of accrual accounting has not significant impact on management decision making in Cost control and effectiveness evaluation and performance results in northwest of Iran
- Alternate: Implementation of accrual accounting has significant impact on management decision making in Cost control and effectiveness evaluation and performance results in northwest of Iran.

Table 7 shows sample output of a one-sample T test for above hypothesis. We compared the mean level of management decision making in Cost control and effectiveness evaluation and performance results for our sample to a known population value of 3.

<table>
<thead>
<tr>
<th>Variable</th>
<th>df</th>
<th>t</th>
<th>Sig</th>
<th>Mean Difference</th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>management decision making in Cost control and effectiveness evaluation and performance results</td>
<td>166</td>
<td>16.2</td>
<td>.000</td>
<td>0.858</td>
<td>.754</td>
<td>.963</td>
</tr>
</tbody>
</table>

T value is 16.2 in 166 degrees of freedom. The significance value is 0.000. The estimated significance (0.000) is less than .05. Therefore, we can say that implementation of accrual accounting has significant impact on management decision making in Cost control and effectiveness evaluation and performance results in northwest of Iran.

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**References**