The Influence of Organisational Culture on the Adoption of MAPs among Companies Operating in Libya: Contingency Perspective

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Abstract

Purpose: *This study sought mainly to investigate the effect of organisational culture (OC) on the adoption of management accounting practices (MAPs) in terms of product cost، budgeting، performance measures and decision support practices among companies operating in Libya، using selection and interaction approaches of the contingency theory.*

Methodology: *data was collected from 107 companies operating in Libya using a self-administered questionnaire survey. The data analysed using simple regression analysis to test the Hypothesis related to the selection approach and MACRO sobel test adopted for estimating the indirect effect in simple mediation model to test Hypotheses related to interaction approach.*

Findings: *the findings of the hypothesis related to the selection approach revealed that organisational culture as an overall is statistically significant in predicting the adoption of all individual groups of MAPs and the adoption of MAPs as an overall at p value < .05. Furthermore، the findings indicated that the adoption of MAPs play partial mediation role as individual groups and as an overall on the relationship between organisational culture and organisational performance.*

Originality*: since، the vast majority of the previous studies mainly concerned on examining the influence of organisational culture on management control system (MCS) represented by a small number of MCS or specific MAPs، and most of these studiesbased only on the selection approach to examine such relationship.This study provides significant contributions towards the understanding of the OC influence on the adoption of broad range of MAPs، and indicates the intervening effect between these two factors on the organisational performance using two approaches of contingency theory.*

Keywords: *MAPs: product cost practices; budgeting practices; performance measurement practices; decision support practices; organisational culture; organisational performance.*

Introduction

Managerial accounting occupies a distinguished position in the construction of accounting information systems and management information systems. It is concerned not only with providing information for decision-making but also providing models and techniques to make complex decisions. The role of managerial accounting has expanded to cover two areas; first، it provides relevant information for planning، control and decision-making; second، it plays a role in the process of decision-making and choosing strategies، working closely with executive managers (Ittner and Larcker، 1997a; Ittner and Larcker، 1997b; Joseph، 2006).The characteristics of the business environment such as production technology، global competition and information technology have changed (McNally and Lee Hock، 1980; Kaplan، 1984; Abernethy et al.، 2001; Hyvönen، 2007). Consequently، management accounting (MA) has been presented with new and demanding challenges.This، in turn، requires researchers and academics to adapt a new range of Management Accounting Practices (MAPs) to meet the changing needs of executives. In response to this concern، a set of new practices has been developed including Activity-Based Costing (ABC)، Balanced Scorecard (BS) and Just-In-Time (JIT) (Merchant، 1984; Chenhall and Langfield-Smith، 1998a; Pavlatos and Paggios، 2009).

A number of studies have focused on studying the characteristics of MAPs، focusing on the adoption rates and benefits received from using such practices (Chenhall and Langfield-Smith، 1998a; Guilding et al.، 2000; Luther and Longden2001; Abdel-Kader and Luther، 2004; Wu et al.، 2007; Bunchapattanasakda and Wong، 2010). In this context، studies revealed that there are differences in the characteristics of MAPs which are applied in developed and developing countries. For instance، Luther and Longden(2001) found that MAPs are not generally consistent and cannot be understood if isolated from the political، cultural and economic environment. Contingency theory argues that the design and use of a control system is dependent on several contingent factors. However، it is difficult to identify specific factors which may influence the choice of adopting suitable formulations of MAPs (Gerdin، 2005).

Using contingency theory، MA has sought to relate a range of contextual factors to the design of management control systems and management accounting systems such as Perceived Environmental Uncertainty (PEU)، strategy، technology and organisational culture.

Recently contingency theory has been applied to examine the factors that are expected to have an impact on the adoption levels of MAPs. Tillema(2005)، for example، argues that each set of circumstances needs to appropriately adopt sophisticated MAPs; therefore، a contingency theory perspective is needed to examine the fit between MAPs and a range of contingent factors.

Chenhall and Langfield-Smith (1998a) suggested that a change in specific circumstances of an enterprise، would lead management accounting systems to be adjusted to remain effective. This implies it is difficult to find a perfect accounting system which fits all organisations (Haldma and Laats، 2002; Gerdin and Greve، 2004a).

Literature Review

According to Bhimani (2003)، MA literature has started empirical investigations focusing on the concept of organizational culture، and a relatively small number of researchers have

carried out studies in this area. For instance، Dent (1991) discovered that a relationship existed between new accounting practices and organizational culture in terms of systems of knowledge، values and beliefs. He also indicated that these intervening relationships occur as a result of organizational culture change or restructuring. Another study conducted by O'Connor (1995)was directed to investigate the influence of organizational culture on the budgetary participation. The author presumed that: high Power Distances (PD) wouldassociate with process orientation (i.e. a concern with the means of achieving organizational goals) and low ones would associate with results orientation (i.e. a concern with the goals themselves). Data was collected from managers of local and foreign manufacturing companies operating in Singapore. O'Connor (1995) concluded that PD has an interaction impact on the usefulness of participation in budget setting and performance evaluation at organizational culture level in terms of lessening uncertainty and producing a more effective manager-worker relationship.

Moreover، Goddard (1997a) conducted an empirical study using Contingency Theory to explore the relationship between organizational culture and financial control. The research was carried out within a local government organization in the UK، and a questionnaire survey was adopted to determine managerial perceptions regarding organizational culture and budget-related behaviour. The findings revealed a relationship between organizational culture and two characteristics of budget-related behaviour including budgetary participation and usefulness of supporting the managerial role. However، an explicit relationship between organizational culture and financial control in operation was not found to exist.

Goddard's (1997b) second study had a broader scope and attempted to investigate the contingent relationship between four different aspects of organizational culture (including national، organizational، professional، and hierarchical mechanisms) and budget related behaviour in three local government organizations based in the United Kingdom، British Canada، and French Canada. The results show that corporate culture exercised a significant impact on budget related behaviour.

Subramaniam and Ashkanasy's(2001) research examined the effect of managers' perception on the relationship between budgetary participation، managerial performance and Job-Related Tension (JRT). The managers' perception was measured through utilising two dimensions of organizational culture. These dimensions are innovation and attention to detail. The findings revealed an inverse relationship between budgetary participation and JRT among managers who were perceived as low innovation and low attention to detail. More specifically، increasing budgetary participation leads to a decrease in JRT among those managers. However، such relationship was not found among managers who were perceived as low innovation and high attention to detail. Additionally،there was no between budgetary participation and managerial performance as a result of managers' organizational culture perceptions.

Other studies focused on examining the influence of organizational culture on the extent adoption of specific MAPs (Bhimani، 2003; Baird et al.، 2004; Henri، 2006; Yew Ming and Hian Chye، 2007). Baird et al. (2004)، for example، examined the relationship between the adoption levels of activity analysis، activity cost analysis and ABC and organizational culture، in terms of Innovation، Outcome Orientation، and Tight vs. Loose Control dimensions in addition to other factors such as size and decision usefulness of cost information. Data was gathered via questionnaire from a chosen sample focusing on Australian business units. The findings indicated that three dimensions of business unit culture were strongly associated with

the extent adoption of activity analysis and activity cost analysis while outcome orientation and tight vs. loose control were associated with ABC. However، the results discovered that a relationship between innovative companies and ABC does not exist. Consequently، the absence of such relationship might be linked with the earlier phases of adoption of activity management.

Henri (2006) focused on investigating the relationship between organizational culture and two characteristics of performance measurement systems، including the diversity of performance measurement systems used and the nature of their use. However، this study was represented by only one dimension of organizational culture in comparison to Baird et al. (2004)، namely flexibility dominant type vs. control dominant type، also known as tight vs. loose control dimension. The results illustrated that senior managers within organizations following a flexibility dominant type are more likely to adopt more performance measure practices. These results contradict the findings of Baird et al.، (2004) which indicated that tight vs. loose control was associated with the extent of adoption of all types of activity management.

Bhimani(2003) focused on exploring how specific organizational culture components became embedded traits in a newly adopted Management Accounting System (MAS). He also examines how the association between these dimensions of organizational culture and the implemented MAS and the organizational expectation of MAS users groups impacted on the success of the new MAS. A case study using the Siemens Company was used for collecting data via a questionnaire survey، interviews and documentation covering a period of over three years. The two groups of MAS users were specialists in the engineering and business economics divisions. Firstly the results supported the assumption which hypothesized that certain elements of organizational culture affect the design of innovative MAS. Secondly، the results revealed that the alignment between organizational culture characteristics and MAS among both user groups were significantly affected the perceived success of new system.

A study conducted by Chia and Koh (2007) looked at the influence of innovation on the adoption rates and success level of MAPs. However، in this study the authors attempted to examine different perspectives related to the innovation dimension، namely the psychological climate of organizational innovation (also known as the individual-level dimension) and management's Value Orientation toward Innovation (VOI)، which was considered to be an organizational level dimension. Data was collected via questionnaire survey from 24 Singaporean government agencies. The results indicated that there was sufficient empirical evidence to support the interaction effect between management's VOI and organizational innovation on the adoption and success level of MAPs in the public sector in Singapore.

Contingency Theory

Based on contingency theory، contemporary organisational theorists such as Otley (1980)، Chenhall (2003)، and Gong and Tse (2009)، claim that it is not possible to find one structure appropriate for all organisations. For example، Otley (1980) supports this view when he claims that Contingency Theory can be used to detect specific characteristics of an accounting system which are associated with certain defined circumstances، and to indicate the connections between them. Furthermore، Chenhall(2003) states that organisational performance is positively orientated and relies on congruence between organisational structure and other variables such as environment، technology، size and culture. In addition، it is assumed that organisational outcome is affected by the degree to which the organisation

structure matches the predominant contingencies. In this context، Gong and Tse (2009) also suggest that Contingency Theory can be used to determine the fit between MAPs and the variables related to the organisations as part of understanding MAPs.

Management Accounting Practices

The traditional view assumes that an accounting information system is nothing more than a technical activity through the adoption of the accounting practices. Accounting information system، according to advocates of this view، undoubtedly has technical aspects (Laughlin، 1987). However، these techniques are required to be understood through a consideration of the organisational reality which explains the reality that the accounting systems are created to account for، and which provide meanings for the practical aspects (Laughlin، 1987; Roberts and Scapens، 1985). Although it is argued that management accounting cannot be classified at the fore level of the culture change، taking a passive and more adaptive role within such comprehensive reorientations of organizational life is required (Burns and Vaivio، 2001).

Historically، Management Control System (MCS) was regarded to be a formal control and feedback tool employed to monitor organisational outcomes and correct deviations from pre-set criteria of performance; while recently، the main role of MCS is to promote flexibility and support organizational change (Henri، 2006).

While business practices and technology are relatively similar across organisations worldwide، the underlying national values remain divergent and people constantly project differences in behaviours which are embedded in culture (Laurent، 1983). Therefore، management practices that seem to have universal application might be exercised differently aligned with the uniqueness of the environment where they are implemented.

Relatively، it is emphasised that the dominant organisational culture can support management practices by providing an environment that enhance to success the implementation of such practices (Burns and Vaivio، 2001). Regarding the relationship between organisational culture and management control system، Ahrens and Chapman (2007، p. 329) state that…

> *Cultural practices of control، which includes the workers' efforts at controlling their own work and criticising others'، showed the response of workers to management control as a positive achievement that fed on their specific visions of the organisation as a business and formed an important part of the organisation's cultural practices of control.*

Management accounting practices are considered as part of management control systems and organisational activities.The use of MAPs and the diversity of such practices are also influenced by organizational culture. In this context، Quinn &Rohrbaugh(1983) assumed that performance measurement practices are primarily established on values; therefore، the features of such practices should reflect the characteristics of organisational values. Furthermore، values as a part of the organisational culture refer to components of an organisation that are more stable and less flexible (Schein، 2010). These values are regarded as informal controls which act as an early stage for the design and use of formal control systems (Flamholtz، 1983). In parallel with these views Rousseau (1990) mentioned that management control systems are material artifacts or pattern behaviour that are affected by the main value structure which is build up the meaning within the organization.

Organisational Culture

Organisational culture has been the focal point of research by number of researchers since the 1960s. However، the investigation of the issues related to the organisational culture became

more active during the 1980s (Munro et al.، 1997). Recently، the literature of organisational culture among business corporations has been highly productive and highlighted by numerous experts and practitioners (Hofstede et al.، 1990; O'Reilly III et al.، 1991; O'Connor، 1995; Trompenaars and Hampden-Turner، 1997; Martins and Terblanche، 2003; Baird et al.، 2004; House et al.، 2004; Chia and Koh، 2007; Coffey، 2010; Greener، 2010; Hofstede، 2010; Cameron and Quinn، 2011).

Organizational culture is an open concept with regards to which a consensus has so far to be reached. Concepts of shared beliefs، values، assumptions، together with important meanings are commonly related to culture (Schein، 1985). However، most of the researchers relatively agree that approximately all definitions contain a set of elements namely values، attitudes and beliefs common to the members of an organization.

Schein (2010، p. 18) defines the organisational culture as...

> *A pattern of shared basic assumptions that the group [social units of all sizes] learned as it solved its problems of external adaptation and internal integration، which has worked well enough to be considered valid and، therefore، to be taught to new members as the correct way to perceive، think، and feel in relation to those problems.*

This definition concentrates on three main levels or elements of organisational culture: indicates the way that new employees learn the organisational culture; shows two different types of sharing assumptions; presume that any institution may contains of different cultures rather than one type. Schein also states that organisational culture can be assessed at three layers: artifacts، fostered values and essential implicit assumptions.

The current study attempts to investigate the influence of carefully determined dimensions of organisational culture which were adapted from Hofstede et al.، (1990)، O'Reilly III et al.، (1991) and Baird et al. (2004). These dimensions are innovation، outcome orientation، and tight vs. loose control. The former and the second dimensions are adopted by O'Reilly et al. (1991) Organisational Culture Profile، while the third was used by Hofstede et al. (1990) practices-based measure of organisational culture. Later these three dimensions of organisational culture used by (Baird et al.، 2004) to examine the effect of such dimensions on the adoption rate of some recent developed management accounting practices represented by activity management practices (Activity analysis، Activity cost analysis، and Activity-based cost).

These three dimensions have been carefully chosen for the purpose of such studies however، they are not chosen as the only factors which might affect the implementation of MAPs (Baird et al.، 2004).

Innovation

Baird et al. (2004)state that the innovation dimension is relatively considered to be related to the adoption of most contemporary MAPs which might face resistance to be implemented such as ABC or BSC. Therefore، organisations with high innovation culture are more likely to accept new practices and vice versa.

Outcome Orientation

Baird et al.، (2004)، also expressed that outcome orientationis the second dimension which deals with actions and results within organisations and based on the outcome of these elements; how can organisations have accurate expectation for performance and how can they be competitive. Thus for companies with outcome orientation cultures are more likely to be

attracted by such practices since they are supposed to be more ambitious to enhance their performance and market competitiveness.

Tight vs. Loose Control

This dimension concentrates mainly on monitoring activities and costs. It is expressed that the organisations with tight control culture are expected to be more concerned about decreasing costs; while people within loose control culture neglect giving more attention to costs (Hofstede، 1998; Baird et al.، 2004). Furthermore، it is argued that tight control is anticipated to provide comprehensive information about planning، budgeting، and reporting systems (Merchant and Van der Stede، 2007). Therefore، for organisations that classified as tight control culture are assumed to adopt more MA sophistication where they mainly concern about decreasing costs، so، they need to implement more accurate practices to determine the product cost.

Research Motivations، Objectives and Hypotheses

Based on what has been reviewed in the earlier studies above، the gap in the literature can be determined in the following points. Firstly، most of these studies were carried out on manufacturing companies، whilst a small number used samples from non-manufacturing companies or mixture between manufacturing and non-manufacturing sectors. Secondly، the bulk of these studies concerned on examining the influence of national and organisational culture factors on MCS represented by a small number of MCS or specific MAPs such asbudgeting participation، job related attitude، ABC and performance measurement characteristics (Baird et al.، 2004; Chia and Koh، 2007; Harrison et al.، 1994; Henri، 2006; Williams and Seaman، 2001). While none of the previous studies examined the effect of organisational culture on the adoption of a broad range of MAPs، and also they did not carry out the interaction effect between organisational culture and the adoption of MAPs on the organisational performance using an interaction approach of contingency theory.

For that reason، this research mainly is an attempt to fill the aforementioned gaps through examining the influence of organisational culture on the adoption of a broad range of MAPs using contingency perspective and to determine whether the fit between these two factors affect the organisational performance. Instead of using one approach، two contingent approaches were adopted to examine such relationship (i.e. selection approach and interaction approach). To achieve the main aim of this study، the following objectives are formulated:

- To examine the relationship between contingent organisational culture and MAPs among companies operating in Libya.
- To examine the relationship between organisational culture and the organisational performance through the adoption of management accounting practices among companies operating in Libya.

Research Hypotheses Related to the Selection Approach

Regarding the effect of organisational culture dimensions (Innovation، Outcome Orientation، and Tight vs. Loose control) on the extent of MAPs adoption، it was hypothesised that there is fit between organisational culture represented by innovation، outcome orientation، tight vs. loose control and management accounting practices (MAPs).

H1: *There is a fit between organisational culture and the adoption of MAPs in terms of product cost practices (g1)، budgeting practices (g2)، performance measurement practices (g3)، and decision-support practices (g4).*

Research Hypotheses Related to the Interaction Approach

H2: *There is a mediation effect on the relationship between organisational culture and organisational performance through the adoption of MAPs*

H2.$_1$: *The extent of adoption of product cost practices has a mediation effect on the relationship between organisational culture and organisational performance*

H2.$_2$: *The extent of adoption of budgeting practices has a mediation effect on the relationship between organisational culture and organisational performance*

H2.$_3$: *The extent of adoption of performance measures practices has a mediation effect on the relationship between organisational culture and organisational performance*

H2.$_4$: *The extent of adoption of decision-support practices has a mediation effect on the relationship between organisational culture and organisational performance*

Methodology

A questionnaire survey was employed to collect the data for this study. The questionnaire was initially distributed to 174، manufacturing and non-manufacturing companies operating in Libya between November 2012 and February 2013. Companies which employed less than a hundred employees were excluded. From 174 questionnaires that sent to the companies surveyed، 121 questionnaires were returned these include 107 usable and 14 uncompleted، which yield a response rate of 61.5%.

Most of the questions were designed based on several earlier studies related to the effect of different contextual factors on the adoption of management accounting practices (e.g. Chenhall and Langfield-Smith (1998a); Anderson and Lanen (1999a); Joshi (2001); Abdel-Kader and Luther (2008); Abdel Al and McLellan (2011); and Joshi et al.، (2011);O'Reilly et al.، (1991); Baird et al.،(2004)).

Table 1 demonstrates that about two-thirds of the participant companies operate in the manufacturing sector، while the remaining 35.5% represents a non-manufacturing sector. Thus، the participant companies represent two sectors، making this a useful sample for examining the influence of the adoption rate of MAPs.

Table 1: Business Type

CHARACTERISTIC	**INTERVAL**	
Business sector	**Frequency**	**Percentage**
Manufacturing companies	69	64.5
Non-manufacturing companies	38	35.5
Total	**107**	**100**

Measurement of Variables

This research was divided into three different groups; first variable is presented by organisational performance، following by management accounting practices، concluded by organisational culture. The measurement of each variable will be indicated as follows.

Measurement of Organisational Performance (OP)

The questionnaire items for measuring OP were based on several previous studies which had included different combinations performance indicators (Govindarajan، 1984; 1988; Chong and Chong، 1997; Chenhall and Langfield-Smith، 1998a; Hoque، 2004; Etemadi et al.، 2009; Angelakis et al.، 2010). OP was measured using 15 multiple dimensions encompassing financial and non-financial measures rather than a single dimension or type of measure. The participants were asked to illustrate trends in their company's performance by using different dimensions in comparison with their main competitors in the same sector using a five-point Likert scale ranging from poor (scored one) to notable (scored five).

Measurement of Management Accounting Practices

A set of 43 MAPs are included in the questionnaire and these were developed from the best known studies previously conducted in the same field (namely، Chenhall and Langfield-Smith، 1998a; Anderson and Lanen، 1999a; Joshi، 2001; Luther and Longden، 2001; O'Connor et al.، 2004; Abdel-Kader and Luther، 2008). These practices were divided into four different groups: the first one known as product cost practices and includes 8 practices. These are activity-based costing (ABC)، standard costing، target costing، variable (or marginal) costing، full (absorption) costing، life–cycle costing، quality cost reporting، and cost modeling. The second group is budgeting practices and consists of 14 practices namely sales budget ، production budget ، direct material budget، overhead budget، master budget، flexible budget، capital budget technique، cash flow budget، administrative expenses budget، direct labour budge، zero-based budgeting، activity based budgeting (ABB)، long range forecasting and incremental budgeting.

The third group encompasses 16 practices that commonly used to measure the perfromance،namely residual income، economic value added (EVA)، return(profit) on investment (ROI)، budget variance analysis، divisional profit، qualitative measures، cash flow return on investment، benchmarking of product/service characteristics، benchmarking of operational processes، benchmarking of strategic priorities، benchmarking with outside organisation، customer satisfaction، employee satisfaction، team performance evaluation، employee attitudes evaluation and balanced scorecard (BSC). While the last group of MAPs is decision-support practices which consists of 5 practices، these includecost-volume-profit/ break- even analysis، product life-cycle analysis، activity-based management (ABM)، product profitability analysis، customer profitability analysis.

The questionnaire assessed the level of adoption of each MA practice. Thus، participants were asked to illustrate the extent to which the practice has been adopted using a five-point Likert scale ranging from **Not Adopted** (scored one) to **Highly Adopted** (scored five).

Measurement of Organisational Culture

Three main dimensions were used for measuring the OC of the companies surveyed، having been mainly adopted from previous studies which had examined the influence of OC on the adoption rate of MAPs (including O'Reilly III et al.، 1991; Baird et al.، 2004). The first dimension was intended to measure trends in innovation within the company(based on four items)، the second element focused on testing the output orientation of the organisation policies regarding the surveyed companies utilised 5 items. Whereas the last dimension is

focused on assessing trends towards tight or loose control (relying on seven items). All of these items were tested using a five-point Likert scale ranging from **Not Valued At All** (scored one) to **ValuedA Very Great Extent** (scored five). In addition، the rank of each dimension was calculated on the basis of whether the mean score was less than average (ranked low)، equal

average or above average (ranked high).

Reliability

Reliability refers to the extent to which data collection techniques and analysis procedures will lead to the similar findings even if different researchers have conducted the same study، a process known as "replication" (Collis and Hussey، 2009; Saunders and Lewis، 2012).

The reliability of a research instrument is commonly assessed using three different forms: test-retest، parallel form، and internal consistency. However، the last of these is regarded as the most widely used form of assessing the reliability of a research instrument by using Cronbach's coefficient Alpha (Saunders et al.، 2007; Sekaran and Bougie، 2010). For this reasons، Cronbach's alpha test was applied to assess the reliability of the measurement scale for all MAPs groups and as an overall.

The acceptable value of alpha is generally 0.6 and above، however some authors suggested that values of 0.7 or over are more preferable as representative of reliability (Nunnally، 2010; Hair Jr et al.، 2011). It can be seen from Table2 that all variables passed the test by obtaining values which are considered to constitute acceptable evidence of reliability.

Table 2: Reliability Test Results

Variables	Qu.	N- of items	Cronbach Alpha
Adoption of all MAPs	C1a-C4a	43	.952
Adoption of MAPs g1	C1a	8	.765
Adoption of MAPs g2	C2a	14	.869
Adoption of MAPs g3	C3a	16	.909
Adoption of MAPs g4	C4a	5	.796

Statistical Methods which Applied by This Study

Simple regression test is used to examine the fit between organisational culture and management accounting practices (selection approach)، while macro sobel test used to examine the intervening effect between organisational culture and MAPs on the organisational performance (Interaction Approach)

Total، Direct and Indirect Effect

The casual steps approach is considered to be the most common used method to measure the intervening variable effects.It has been criticized deeply for several reasons (Hayes، 2009). To name only a few، it is argued that this approach is among the lowest in power (MacKinnon et al.، 2002; MacKinnon et al.، 2007; Hayes، 2009). This implies that if the independent variables effect on dependent variable is exerted partially throughout the mediator، the causal steps approach among the many methods is the least likely to actually detect that effect (Hayes، 2009).

The first step is generally concern in examining the total effect in which the dependent variable (Y) will be predicted by the independent variable (X) using simple linear regression. Figure 1 Path (c) represents the total effect of (X) on (Y).

Figure 1 Total Effect

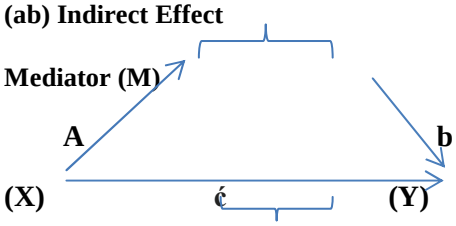
Total Effect

Where: Y = Organisational Perfromance

Mediator (M)= Management Accounting Prcatices in terms of (product cost practices، budgeting practices، performance measures prcatices، decision support practices)، X= Organisational Culture represented by (Innovation، Outcome Oreintation and Tight vs. Loose Control).

The second، third and fourth steps are shown in Figure 2. While the second step concentrates on predicting the mediator (M) throughout independent variable (X) path (a). The next step is predicting (Y) from (M) while the effect of (X) is controlled as shown in path (b) in the same figure. These prior two steps provide the indirect effect (ab). The last step in this model is predicting (Y) from (X) after controlling the impact of mediator (M) as indicated on the path ć which is called the direct effect.

Figure 2: Simple Mediation Relationship
(ab) Indirect Effect



Direct Effect

Simple Regression Analysis Method

The output of the simple regression analysis related to the hypothesis H_1 demonstrated in Table 3. These results reveal that the overall organisational culture represented by all three dimensionswas statistically significant in predicting MAPs in general (***R²* = .333، *B*= 558، *F-value* =52.523)** and all groups of MAPs individually in terms of product cost practices **(*R²* = .223، *B* = .508، *F-value* =30.182)**، budgeting practices (***R²* = .177، *B* = .438، *F-value* = 22.584)**، performance measures practices (***R²* = .454، *B* = .696، *F-value* = 87.435)**; and decision-support practices **(*R²* = .253، B=.591، *F-value* = 35.469)**، all at***P-value* =.000**. In addition، beta values indicate to some extent a positive correlation with MAPs in general and with all groups of MAPs individually with values of **.577**، **.473**، **.421**، **.674** and **.502** respectively. Therefore، H1is accepted.

Table 3 Effect of Organisational Culture Overall on MAPs – Output of Simple Linear Regression

OC overall	R²	F	b	S.E	Beta	Sig
MAPs overall	.333	52.523	.558	.077	.577	.000
MAPs G1	.223	30.182	.508	.93	.473	.000
MAPs G2	.177	22.584	.438	.92	.421	.000
MAPs G3	.454	87.435	.696	.074	.674	.000
MAPs G4	.253	35.469	.591	.099	.502	.000

Mediating Role of MAPs Adoption between Organisational Culture and Organisational Performance (Interaction Approach)

The findings of examining the hypotheses regarding the mediating role of MAPs adoption on the relationship between organisational culture (OC) and organisational performance (OP) are reviewed and discussed in the following subsections.

The Mediating Role of MAPs Adoption (Overall Mean)

Table 4 and Figure 3 A & B illustrate that the statistical results regarding the test of hypothesis H_2in which the simple regression of organisational performance on organisational culture (OP*OC) reveals that the total effect is statistically significant، ***c* = .4850، *p* = .000**، whilst the indirect effect of organisational culture on organisational performance through MAPs adoption **(i.e.، *ab*)** is not equal to zero by 95% confidence interval based on 5،000 bootstrap samples **(.0967 to .2867 with a point estimate of .1854)**، as are the paths from organisational culture to MAPs **(MAPs*OC; a = .5584، *p*= .000)**، and from MAPs to organisational performance controlling for organisational culture **(OP* MAPs. OC; b = .3299، *p* = .001)**. In contrast، the direct effect of organisational culture on organisational performance while controlling for MAPs is also significant at the level of 95% confidence interval (**OP*OC.MAPs; *ć* = .3008، *p*=.001)**.

Table 4: Results for Mediating Effect of MAPs on OC and OP Relationship

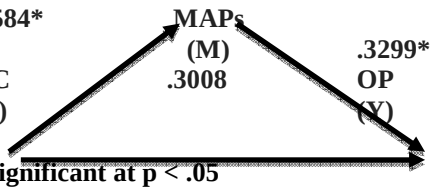
Causal steps approach	**B**	**S.E**	**t**	**Sig.**
Path c (OP*OC)	.4850	.0772	6.2803	.0000
Path a (MAPs*OC)	.5584	.0770	7.2473	.0000
Path b (OP* MAPs. OC)	.3299	.0928	3.5549	.0006
Path ć (OP*OC.MAPs)	.3008	.0897	3.3514	.0011
Sobel test	**Value**	**S.E**	**Z**	**Sig.**
Indirect effect "*ab*"	.1842	.0582	3.1674	.0015
Bootstrapping	**Mean**	**S.E**	**LL 95 CI**	**UL 95 CI**
Indirect effect "*ab*"	.1854	.0485	.0967	.2867

Figure 3 A & B: Role of MAPs Adoption on OC and OP Relationship

A: The total effect

***Significant at the level of .01**

B: The mediation effect



***Significant at p < .05**

From the aforementioned results، it can be inferred that the criteria for the partial mediation effect have been met. In other words، the adoption of MAPs has a partial mediation effect on the relationship

between organisational culture and organisational performance **(*Z* = 3.1674، *p* = .002)**. Consequently، research hypothesis H2 has been supported. Based on these results، it can be revealed that the higher the level of MAPs adoption، the higher the level of organisational performance.

The Mediation Role of MAPs Adoption g1

Table 5 and Figures 4 A and 4 B illustrate the statistical results regarding the testing of hypothesis **$H2._1$** in which the simple regression of organisational performance on organisational culture (OP*OC) indicates that the total effect is statistically significant، **c = .4850، p = .000**، and the indirect effect of organisational culture on organisational performance through MAPs adoption **(i.e.، ab)** is different from zero by 95% confidence interval based on 5،000 bootstrap samples **(.0542 to .2100** with a point estimate of **.1244)**، as are the paths between organisational culture and product cost practices **(MAPs g1*OC; a = .5083، p =.000)**، and from product cost practices to organisational performance controlling for organisational culture **(OP *MAPs g1. OC; b = .2437، p = .002)**. Moreover، the direct effect of organisational culture on organisational performance while controlling for product cost practices is also significant at the level of 95% confidence interval **(OP*OC.MAPs g1; ć = .3611، p = .000)**.

Table 5: Results of the Mediating Effect of MAPs g1 (Product Cost Practices) on OC and OP Relationship

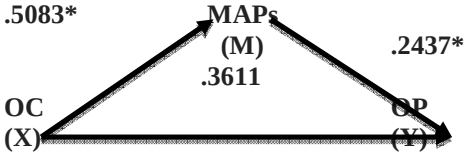
Causal steps approach	**B**	**S.E**	**t**	**Sig.**
Path c (OP*OC)	.4850	.0772	6.2803	.0000
Path a (MAPs*OC)	.5083	.0925	5.4938	.0000
Path b (OP* MAPs. OC)	.2437	.0783	3.1136	.0024
Path ć (OP*OC.MAPs)	.3611	.0842	4.2884	.0000
Sobel test	**Value**	**S.E**	**Z**	**Sig.**
Indirect effect "*ab*"	.1239	.0463	2.6755	.0075
Bootstrapping	**Mean**	**S.E**	**LL 95 CI**	**UL 95 CI**
Indirect effect "*ab*"	.1244	.0394	.0542	.2100

Figure 4 A & B: Role of MAPs g1 Adoption on the OC and OP Relationship

A: The total effect

***Significant at the level of .01**

B: The mediation effect



***Significant at p < .05**

Based on the results above، the criteria for the partial mediation effect have been met. In other words، the adoption of MAPs g1 has a partial mediation effect on the relationship between organisational culture and organisational performance **(*Z* = 2.6755، *p*= .008)**. Therefore،

research hypothesis H2.$_2$is supported. Based on these results، it can be said that the higher the level of adoption of product cost practices، the higher the level of organisational performance.

The Mediating Role of MAPs Adoption g2

Table 6 and Figures 5 A and B illustrate the statistical results regarding the test ofhypothesis H2.$_2$ in which the simple regression of organisational performance on organisational culture **(OP*OC)** reveals that the total effect is statistically significant، ***c* = .4850**، ***p*=.000**، and the indirect effect of organisational culture on organisational culture through MAPs adoption (i.e.، *ab*) is different from zero by 95% confidence interval based on 5000 bootstrap samples (.0497 to .2085 with a point estimate of .1188)، as are the paths from organisational culture to budgeting practices **(MAPs g2*OC; *a* = .4380**، ***p*= .000)**، and budgeting practices to organisational performance controlling for organisational culture **(OP*MAPs g2. OC; b = .2668**، **p =.000)**. The direct effect of organisational culture on organisational performance while controlling for budgeting practices is also significant at the level of 95% confidence interval **(OP*OC.MAPs g2; *ć* = .3681**،***p*= .000)**.

Table 6:Results of the Mediating Effect of MAPs g2 (budgeting practices) on the relationship between OC and OP

Causal steps approach	B	S.E	t	Sig
Path c (OP*OC)	.4850	.0772	6.2803	.000
Path a (MAPs g2*OC)	.4380	.0922	4.7523	.000
Path b (OP* MAPs g2. OC)	.2668	.0779	3.4268	.000
Path ć (OP*OC.MAPs g2)	.3681	.0811	4.5400	.000

Sobel test	Value	S.E	Z	Sig.
Indirect effect *ab*	.1169	.0427	2.7399	.006

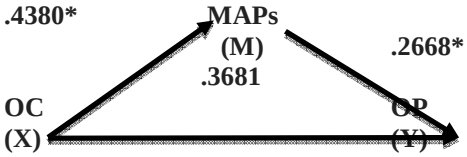
Bootstrapping	Mean	S.E	LL 95 CI	UL 95 CI
Indirect effect *ab*	.1188	.0408	.0497	.2085

Figure 5 A & B: The Role of MAPs g2 Adoption on the Relationship between OC and OP

A: The total effect

***Significant at the level of .01**

B: The mediation effect



***Significant at p < .05**

Based on these results، it appears that the criteria for the partial mediation effect related to the second group of MAPs have also been met. In other words، the adoption of MAPs g2 has a partial mediation effect on the relationship between organisational culture and organisational performance **(*Z* = 2.7399**، ***p* = .006)**. Therefore، the research hypothesis **H2.$_2$**has also been

supported. Based on these results، it is clear that the higher the levels of adoption of budgeting practices within companies، the more likely they are to have high levels of performance.

The Mediating Role of MAPs Adoption g3

Table 7 and Figures 6 A and B present the statistical results for the testing of hypothesis **H2.$_3$** in which the simple regression of organisational performance on organisational culture **(OP*OC)** indicates that the total effect is statistically significant، ***c* = .4850**، ***p* = .000**، and the indirect effect of organisational culture on organisational culture through MAPs adoption (i.e.، *ab*) is different from zero by 95% confidence interval based on 5،000 bootstrap samples **(.1203 to .3506** with a point estimate of **.2337)**، as are the paths from organisational culture to performance measures practices **(MAPs g3*OC; *a* = .6964**، ***p*= .000)**، and from performance measures practices to organisational performance controlling for organisational culture **(OP*MAPs g3. OC; b = .3390**، **p = .001)**. In addition، the direct effect of organisational culture on organisational performance while controlling for performance measures practices is also significant at the level of 95% confidence interval **(OP*OC.MAPs g3; *ć* = .2489**، ***p*= .014)**.

Table 7: Results of the Mediating Effect of MAPs g3 (Performance Measures Practices) on the Relationship between OC and OP

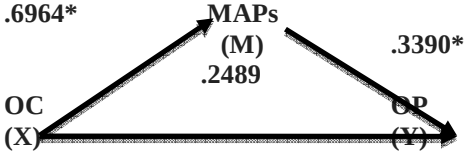
Causal steps approach	**B**	**S.E**	**t**	**Sig.**
Path c (OP*OC)	.4850	.0772	6.2803	.000
Path a (MAPs g3*OC)	.6964	.0745	6.2803	.000
Path b (OP* MAPs g3. OC)	.3390	.0961	3.5278	.001
Path ć (OP*OC.MAPs g3)	.2489	.0993	2.5075	.014
Sobel test	**Value**	**S.E**	**Z**	**Sig.**
Indirect effect *ab*	.2361	.0719	3.2843	.001
Bootstrapping	**Mean**	**S.E**	**LL 95 CI**	**UL 95 CI**
Indirect effect *ab*	.2337	.0590	.1203	.3506

Figure 6 A & B: The Role of MAPs g3 Adoption on the Relationship between OC and OP

A: The total effect

***Significant at the level of .05**

B: The mediation effect



***Significant at p < .05**

From the results above، the criteria for the partial mediation effect of MAPs g3 on the relationship between organisational culture and organisational performance have been established. In other words، the adoption of MAPs g3 has a partial mediation effect on the relationship between organisational culture and organisational performance **(*Z* = 2.6755**، ***p* =**

.001). Therefore، the research hypothesis **H2.$_3$** has been supported. Based on theseresults، it is accepted that the greater the level of adoption of MAPs g3 by companies، the greater their likelihood of achieving a higher performance.

The Mediating Role of MAPs g4 Adoption

Table 8 and Figure 7 A and B illustrate the statistical results for the testing of hypothesis **H2.$_4$**in which the simple regression of organisational performance on organisational culture (OP*OC) reveals that the total effect is statistically significant، with **c = .4850**، ***p* = .000**، and the indirect effect of organisational culture on organisational performance through MAPs g4 adoption (decision-support practices) (i.e.، *ab*) is not equalto zero by 95% confidence interval based on 5،000 bootstrap samples **(.0252 to .1728** with a point estimateof **.0955)**، as are the paths between organisational culture and decision-support practices **(MAPs g4*OC; *a* = .5907، *p*= .000)**، and from decision-support practices to organisational performance، controlling for organisational culture **(OP*MAPs g4. OC; *b* = .1626، *p* = .032)**. The direct effect of organisational culture on organisational performance while controlling for decision-support practices is also statistically significant at the level of 95% confidence interval **(OP*OC.MAPs; *ć* = .3889، *p* = .000)**.

Table 8: Results of the Mediating Effect of Decision-support Practices on the Relationship between OC and OP

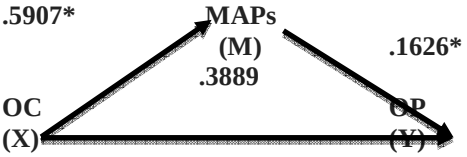
Causal steps approach	**B**	**S.E**	**t**	**Sig.**
Path c (OP*OC)	.4850	.0772	6.2803	.000
Path a (MAPsg4*OC)	.5907	.0992	5.9556	.000
Path b (OP* MAPsg4. OC)	.1626	.0747	2.1780	.032
Path ć (OP*OC.MAPsg4)	.3889	.0878	4.4313	.000
Sobel test	**Value**	**S.E**	**Z**	**Sig.**
Indirect effect *ab*	.0961	.0475	2.0206	.043
Bootstrapping	**Mean**	**S.E**	**LL 95 CI**	**UL 95 CI**
Indirect effect *ab*	.0955	.0375	.0252	.1728

Figure 7 A & B: Role of MAPs g4 Adoption on the Relationship between OC and OP

A: The total effect

***Significant at the level of .05**

B: The mediation effect



***Significant at p < .05**

On the basis of these results، it can be inferred that the criteria for partial mediation effect have been met. In other words، the adoption of MAPs g4 has a partial mediation effect on the relationship between organisational culture and organisational performance **(*Z* = 2.0206، *p*= .043)**. Consequently، the research hypothesis **H2.$_4$** has been supported. Based on these results، therefore، it can be argued that the higher the levels of adoption of MAPs g4 in organisations، the higher their recorded levels of performance.

The Discussion

With regard to the effect of organisational culture (OC) on the adoption of MAPs، a selection approach was also used، making use of simple regression. The results revealed that OC overall was a statistically significant predictor for all groups of MAPs adoption at the level of *p*> .05.

Regarding the influence of organisational culture on the adoption of MAPs، the findings of some previous studies are consistent with the results which emerged from the current research. For instance، Baird et al. (2004) examined the influence of organisational culture (represented by three dimensions) on the adoption of three sets of MAPs namely Activity Analysis; Activity Cost Analysis and ABC. The findings revealed that the three dimensions of organisational culture، represented by innovation، outcome orientation and tight vs. loose control، were significantly affected by the extent of adoption of activity analysis and activity cost analysis; while ABC was only closely associated with outcome orientation and control dimensions.

However، this result is relatively contradictory with the characteristics of innovation dimension which assumed that the most recent practices such as ABC would be highly adopted among companies classified as high innovative culture.

The findings of the present study are also inconsistent with Henri's (2006) results which revealed that top managers within a flexibility dominant type organisation are more likely to adopt more performance measures practices; in fact، according to Merchant and Van der Stede (2007)، a tight control culture tends to require comprehensive information about control، budgeting، and reporting systems that need more performance measures practices to follow up organisational performance.

Regarding the intervening effect between organisational culture and MAPs on organisational performance، the results also indicate that the influence of organisational culture on organisational performance was partially mediated by MAPs overall and by each individual group of MAPs (i.e. product cost practices، budgeting practices، performance measures practices and decision-support practices) at P-value < .05. These results provide confirmation that different combinations of MAPs play a significant role on mediating the relationship between the culture of the organisation and its outcome; however، this was partial mediation.

In this context، there are few studies which concern the interaction effect of organisational culture and MAPs on the organisation's outcome; however، there are some studies which have focused only on the influence of this contingent variable on the adoption of MAPs. For example، Bhimani (2003) explored how organisational culture in particular affects the adoption of MAPs.

Additionally، Chia and Koh (2007) concentrated on examining the influence of innovation on the adoption of efficiency of MAPs. However، both of these studies focused on the relationship between organisational culture and MAPs without paying attention to the intervening effect between those two variables and organisational outcome. Chia and Koh (2007) measured the interaction effect of value orientation toward innovation and

organisational innovation on the adoption and success level of MAPs among public sector organisations in Singapore، and concluded that an interaction effect did exist.

Conclusion

The main aim of this study was to provide a better understanding of the relationships between organisational culture and MAPs in terms of product cost practices، budgeting practices، performance measures practices and decision support practices. A number of theoretical contributions and practical implications can be derived from our results. From a theoretical standpoint، this paper extends previous management accounting literature using a contingency approach and prior research on MAPs by examining the influence of organisational culture on the adoption of MAPs divided into four groups linked to the purpose of each practices group.

Despite insights provided in previous research، the relationships between organisational culture and broad range MAPs adoption have been overlooked in the previous studies. Without neglecting the significance of other contingent factors previously examined (e.g. environmental uncertainty، strategy، characteristics of organisation)، organisational culture is an important factor which relatively affects practically all aspects of organizational interactions.

Limitations and Future Research

Since this study was completely relied on a questionnaire survey as the only data collection instrument (numerical data)، and then the data were statistically analysed used two different statistical methods; therefore، the advantage of applying mixed methods for collecting and analysing the data has been missed and added to the limitations of the current research. And also the sample size might be relatively small; however، statistically is considered to be adequate and sufficient for this research.

This study relied on three dimensions of organisational culture which are carefully selected for the purpose of the study; the chance of utilising other different dimensions related to the organisational culture which might affect the adoption level of MAPs has been missed.

Beside the limitations which mentioned above a number of future researches can be recommended as following

Organisations surveyed in this study should pay more concentration to the effect of organisational culture in terms of innovation، outcome orientation and control for more understanding of items which shape these dimensions and attempt to minimise the gap between superiors and subordinates to adopt more combinations of MAPs and enhance organisational performance. However، other dimensions should be used to investigate the relationship between organisational culture and the adoption of MAPs.

National culture has not been included so future research should consider the effect of national culture on the adoption of MAPs and measure the intervening effect between those factors on the organisational outcome.

Qualitative methodologies should also be appropriate to investigate more specifically the importance of these dimensions on designing the MAPs which in turn maximize the organisational performance. Using in-depth interviews based on case studies or using mixed method of collecting and analysing the data (e.g. questionnaire survey with face to face interviews). In order to understand the barriers and obstacles of organisational culture and to figure out the causality on affecting the adoption of these practices، qualitative and quantitative methods should be used to analyse the data.

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The Attitudes of Libyan Public Opinion Towards Federalism: Is It a Necessity or an Obligation?

Dr. Mustafa A.Abulgasem

The focus of this study is on the Impact of surrounding environmental conditions upon federalism as choice for Libya after the success of 17 February revolution. This study dealt with the beliefs system، attitudes and Libyan public opinion as independent variables and environmental factors as dependent variable. In order to examine the impact of independent variables upon the dependent variable، a questionnaire was delivered by the author to a sample that represented mainly Al-Zawia city and other cities in the western part of Libya (N=500) The level of responses (71.5%) was considerable (N=357)، and thus a statistical analysis was carried out.

Methodologically speaking، this study raised the following question: Is Libya more oriented to adopt federalism instead of the unitary political system that applied for centuries? Furthermore، this study developed this hypothesis: "The Libyan public opinion is expected to reject federalism as a future political choice." Obviously، the empirical aspects of this study will enable us to examine the nature of Libyan public opinion towards the issue of federalism. According to the previous hypothesis، this study was divided into five sub-sections: federalism as a concept، the historical dimension of federalism in Libya، the surrounding environmental factors and the choice of federalism in Libya، the attitudes of Libyan public opinion towards federalism، and a conclusion.

As far as the attitudes of Libyan public opinion towards federalism are concerned، the data of this study demonstrated that: 47.3% and 19.9% of the sample are either strongly disagree or just disagree. On the other side of the spectrum، the same data showed that only 7.8% and 7.3% are either strongly agree or just agree on the choice of federalism for the post-Kaddafi Libya. It is obvious that the majority of the study's sample are aware of the challenges that Libya could face when it shift from an unitary state system into a federal state system. Furthermore، Libya lacked the necessary preconditions for federalism، e. g.، diversities of cultures، languages and religions. Libya، by and large، is a homogenous country; therefore، two thirds of the sample rejected frankly federalism as a potential choice for the new Libya. The results of this study supported، by and large، the initial expectations concerning the negative attitudes of Libyan public opinion towards the issue of federalism.

The Role of Demographic Factors in Improving the Financial Performance of the Small Projects – An Empirical Study

Dr. Naji S. Elmendls
Dr. Aburawi I. Gabgub.

It is well known that Small projects plays key roles in the process of sustainable development in most countries. These projects participate in economic and social development through promotion of investment، growth and exports. Moreover، Small projects assists with other projects in creating employment opportunities، reducing unemployment rate and increases income in order to raise living standards and face poverty. The demographics factors، such as sex، job group، qualification، experience، age and areas of specialization are considered to be important factors that have contributed to firm development and growth. This study aims to discuss the role of the sex demographic factor in improving the financial performance of Libyan small projects. Furthermore، this study seeks to emphasize the key roles of small projects in treating economic and social problems in relation to the Libyan background as well as providing investors with various financing opportunities. This study concludes that sex، job group، qualification، experience have significant effects on the financial performance of the Libyan small projects. On the other hand، neither age group nor area of specialization has relationships with the financial performance of this kind of projects in the Libyan economy>

An Examination of causal relationship between Exchange Rate and Domestic Price (an empirical study on Libyan economy during 1993-2010)

Dr. Yusef Y. Masoud , Mr. Sami O. Sasi .

This study aims to analyses the impact of changing between exchange rate domestic prices; and determines the sort of relation between them. In additional, it is relies on analysis time series during 1993-2000s, to exam a relationship between Exchange Rate and Domestic Price in Libyan economy. It has been used econometrics model to measure impacts of Exchange Rate and Domestic Price. Furthermore, the results shows that there is a positive relationship in short term among EXR and CPI, and the ability of CPI Variable to explain the changes which happened with EXR is weak and limited in Libyan economic. And also the relationship between EXR and IMPt is very weak. While the results of an estimation relationship between EXR with CPI; IMPt and MSSG2 in long term are positive, but a negative with IGD.

Libya : Threats of being a failure state

Dr. AL-Bashir A. Alkut

The term of failed state is new expression in the academic field of political science . This term used for first time at the last decade of the 20th century . It became important term after the appearance of many failure states in Africa and Asia in the last two decades . Failed state usually effects internal affairs and other states affairs especially neighboring states . Afghanistan is a clear model of failed state that caused real problems for the Afghan people and for many countries .

When the state fail to provide the basic services to its people then we call it failed state . The services which might provide to the people includes political ، security and economical services . There are some indicators which could help us in measuring the failure of any state .

We tried to study some definitions of failed state . So we can implement that on the Libyan case ، we could know to what extent that Libya is a failed state during the years followed the 17th Februry Revolution .

To get the goals of this paper we studied the following factors ;

- *The concepts and the indicators of failure States .*
- *The environment of failure which faces Libya and its deferent affects (Inputs).*
- *Is Libya failed state ?*
- *The causes of failure in Libya .*
- *The opportunities of fail and success in Libya .*

Methodologically، we used environmental and systematic approaches . These approaches allows us to study the deferent political، economical and social factors that affect the state functions . Mentioned factors made pressure on the political system as inputs (Demands، Support، Resources، Opposition . . .) . So، we could know the effort that political system did to transfer inputs to outputs in the shape of policies and decisions .

Finally، we made some scenarios to the Libyan future . These scenarios depended on studying the deferent factors of the Libyan environment .

Determinants of CEO Pay in the Libyan Business Arena: a Financial Approach

Dr: Mohammed Faraj Assuffrani

This study focuses on determinants of chief executive officer (CEO) compensation in the Libyan business background during the period of 2000-2008. The dependent variable was the CEO annual pay، while the explanatory variables were organization performance، organization size، growth opportunities، complexity، and age of organization. The results show that size and complexity were positive and statistically significant linked to CEO pay. Whereas growth was negative and statistically significant related to CEO compensation. On the other hand، neither organization performance nor age of organization had a significant relationship with CEO compensation. The study also indicates that the managerial power theory appears to be more accepted than the agency cost theory in interpreting and understanding CEO pay behavior in the Libyan business context. From the study findings، the study suggests some recommendations، such as CEO compensation should be linked to organisatione performance، and this connection should take into account the pay live of other CEOs working at other organisation. This will help in preventing talent CEOs from moving to other organisations.

The Relation of Competitive Ability For Organizations by Using The Conception of Total quality Management – Applied study on Burag Air

Dr. amer M.Ellafi .

The study aimed at identifying the extent of adopting total quality management by Buraq Air in improving the quality of its provided services to enhance its competitiveness capacity and the extent of the passengers' satisfaction towards that service. The problem of the study is represented in investigating the extent of the effect of the service quality provided by the company in enhancing the competitiveness capacity of the company and the willingness of the passengers to travel through the company itself. The quantitative descriptive approach was adopted to analyse the data، using a questionnaire designed for collecting data، related to the purpose of the study. The population of the study included the passengers traveling through the Buraq Air. A random sampling was adopted in choosing the respondents from four flights; two domestic flights from Tripoli to Benghazi and from Tripoli to Tobruq، and two international flights from Tripoli to Istanbul and from Tripoli to Tunis. The questionnaires were distributed by the flight attendants، and the findings of the study were obtained after collecting and analysing the data. The findings pointed out that the Company was fully aware of the significance of adopting the total quality management، and this was demonstrated through the workshops held by the company for its employees and the effect of the total quality management in strengthening the competitiveness capacity. The findings also revealed the passengers' satisfaction towards the services provided by the company، including on board and on earth services. The study recommends adopting procedures to improve booking services and increasing the number of the Company's planes.

The Role of Non – Oil export on The Economic Growth in Libya during Period 2000 – 2010.

Mr. Salah A. Taib , Mrs. Noura A. Alghangha.

Study summary:

The study aims to clarify the relationship between non-oil exports on the one hand and economic growth in the Libyan economy during the period between 2000/2010, and then analyze this relationship by assessing the standard model based on a set of variables, a non-oil exports and the relative composition of the value of exports and over its effect on the dependent variable of the study, which economic growth, the study found generally that international trade plays a big role in the economic growth and development, and so on the grounds that it is an important tool in financing for development, and therefore has to be attention dramatically in the policies adopted in the field of international trade in Libya so These policies are designed to serve the development goals and to focus on reducing dependence on oil exports as statistical data show during the study period, and activating the role of non-oil exports in bringing about economic growth and increase gross domestic product growth rates.

Political and economic reasons for the invasion of Iraq .Who benefits from the occupation of Iraq?

Dr. Ali A. Alasheg .

This study is exposed to the subject of political and economic factors for occupation of Iraq، due to the importance of the issue because it is looking at the underlying motives behind this occupation under international variables resulted in an imbalance in the balance of power and tremendous changes in the international pattern led to a vacuum in the international field and that the collapse of one of the poles of the pattern which is Soviet Union (former)، which opened the way for the United States to occupy Iraq and control the economic destiny of mainly in the oil. This paper focuses on the Arabian Gulf region are important considerations as the first of most countries، including the importance of economic and Iraq one of those countries، and the second is the importance of the geographical location of the region strategically in the Middle East.

This study will focus on the time limits since 1991، the date of the collapse of the Soviet Union، and until 2003، the date of the occupation of Iraq، an attempt of this paper to achieve the following goals:

- A statement of political and economic importance of working in the invasion and occupation of Iraq.

- Statement of the presence of the real trend in the interpretation of contemporary international relations in terms of looking at the national interest as the main motive that controls the formation of trends and relationships in countries abroad.

This study assume that the political and economic ingredients of the strategic position of Iraq، and economic control of Iraq's oil were behind the US campaign against Iraq and occupation. We will use in these study the historical method and the realistic method.