



The Impact of The Government Accounting System on The Application of Program Budgeting and Performance In The Iraqi Environment

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Abstract: This study addresses the challenges and opportunities associated with developing and reforming the government budget and accounting system, with a particular focus on Iraq and similar regional contexts. The research highlights the importance of adopting modern methods such as accrual accounting and performance-based budgeting, and strengthening financial control mechanisms to enhance transparency, accountability, and efficiency in government units. Previous studies have emphasized the role of internal auditing, financial information systems, and management accounting in improving budget performance and reducing financial irregularities. International experience has also shown that adopting advanced budgeting practices contributes to combating corruption and enhancing the effectiveness of institutional performance. The study aims to provide a comprehensive understanding of the theoretical and practical dimensions of general budget reform by reviewing previous literature and analyzing applied models in Iraq and other countries. The paper also aims to develop an integrated framework that supports decision-makers and policymakers in implementing budget practices in line with international standards. This contributes not only to achieving financial discipline but also to ensuring the efficient allocation of resources and enhancing the sustainability of public financial systems.

Keywords: General Budget, Accrual Accounting, Performance-Based Budgeting, Financial Transparency, Iraq

Introduction

Government budgets worldwide have witnessed major transformations in recent decades, with many countries adopting program and performance budgeting as a tool to enhance the efficiency of resource allocation and the transparency of financial decisions. This transformation has been closely linked to efforts to modernize government accounting systems and adopt modern management principles, ensuring that public spending aligns with developmental and strategic objectives (Kashanipour et al., 2024).

In the Iraqi context, the need for fundamental reforms in government budget systems has emerged as a result of the economic and structural challenges facing the country. Al-Banna et al. (2022) emphasized that developing the general budget in Iraq requires redesigning the government accounting system to align with contemporary trends in financial management. Al-Bakri (2011) also addressed the issue of wealth distribution in

federal systems, highlighting the problematic nature of financial justice and good governance in the Iraqi system. In addition, reform trends in Iraq have been influenced by political and economic factors, such as the nature of oil policies, which constitute the primary source of public revenue. Al-Hashemi (2025) noted that the effectiveness of oil policy implementation is a crucial factor in the efficiency of the state's financial management, which is directly linked to the ability of the accounting system to support financial planning.

Thus, it becomes clear that the research gap lies in examining the compatibility of the government accounting system in Iraq with the requirements of the program and performance budget, and how to leverage regional and international experiences to develop an accounting model capable of supporting the financial reform process.

Research Problem

The research problem is to determine the readiness of Iraqi government accounting systems to support the implementation of the program and performance budget, and the ability of these systems to provide accurate and transparent data that contributes to rationalizing financial decisions. The main question also arises: What is the impact of the government accounting system on the effectiveness of the implementation of the program and performance budget in Iraq?

Research Objectives

The study aims to analyze the reality of the government accounting system in Iraq and measure its impact on the implementation of the program and performance budget. This general objective emanates from several detailed objectives, such as: assessing the quality of government financial data, measuring the level of adoption of program and performance budgeting practices by Iraqi ministries, and identifying obstacles hindering effective implementation.

Research Hypotheses

The following hypotheses were formulated:

- Hypothesis 1: There is a statistically significant positive correlation between the effectiveness of the government accounting system and the level of implementation of the program and performance budget.
- Hypothesis 2: Internal audit and financial oversight contribute to enhancing the efficiency of program and performance budget implementation.
- Hypothesis 3: The quality of accounting information systems directly affects the successful implementation of the program and performance budget.

Significance of the Research

The theoretical significance stems from its ability to fill a gap in the Arab and Iraqi literature on the relationship between government accounting systems and program and

performance budgeting. The practical significance lies in the possibility of providing results that contribute to formulating practical recommendations for decision-makers, which would improve government budget preparation mechanisms and raise the efficiency of public spending.

Scope and Limits of the Study

Temporally, the study covers the period from 2020 to 2025, a period marked by increased interest in developing government accounting systems. Spatially, the study focused on key Iraqi ministries such as Finance, Planning, Health, and Education. Thematically, it was limited to examining the implications of the government accounting system for the implementation of program and performance budgeting, without addressing political or legislative aspects outside the scope of accounting.

Previous Studies

Previous studies have addressed the issue of program and performance budgeting from multiple perspectives. Some studies focused on evaluating control and transparency systems, while others focused on the feasibility of adopting modern accounting information systems or applying total quality principles.

With regard to financial oversight and auditing, Al-Nawasra (2023) indicated that financial oversight directly contributes to improving the financial performance of joint services councils. Al-Khatatneh (2024) emphasized that internal auditing of final accounts represents a key tool for ensuring the credibility of financial statements. Al-Jawazneh (2023) also addressed the impact of computerizing financial management on enhancing financial performance in municipalities, reflecting the growing role of modern technologies in developing government financial management. On the other hand, several studies have focused on the institutional and organizational factors influencing performance efficiency. Abdullah and Abkar (2022) discussed the impact of total quality management on financial performance in Sudanese banks, while Mahjoub et al. (2022) focused on quality review and its role in improving administrative and accounting performance in universities. Abdullah and Hamouda (2022) also demonstrated the role of delegation of authority in raising the effectiveness of institutional performance, which intersects with what Aboud (2023) indicated regarding the importance of intellectual capital in enhancing performance efficiency in the Libyan banking sector. Regarding performance and program budgets in Iraq, Aidi et al.'s (2023) study demonstrated the possibility of adopting this system in Iraqi government companies, emphasizing the need to modernize accounting structures. Al-Sulayvani et al. (2025) concluded that program and performance budgets positively impact government financial performance, through the expertise of accountants and auditors. Kadhim's (n.d.) study also demonstrated the theoretical and practical dimensions of the concept of program and performance budgeting in the Iraqi budget, while Ahmed and Chakroun's (n.d.) study focused on the importance of effective planning and control in improving the financial performance of independent institutions. Other studies have also provided comparative insights at the international level, such as Abida and Wajarb (2020), which examined the components of smart governance in Iraqi government units, and

Dawood and Abdulahad (2023), which discussed the implementation of program and performance budgeting in government health units. Salman et al. (2023), on the other hand, demonstrated the feasibility of implementing operational budgeting in Iraqi public universities, while Sakhraoui and Meddahi (2020) discussed the role of modernizing budget systems in reforming public administration and combating corruption. Studies such as El Toby et al. (2022) and Alamry et al. (2022) also addressed the feasibility of applying international accounting standards in the public sector and using the balanced scorecard to reduce financial and administrative corruption.

Thus, it is clear that previous studies have contributed to building a strong scientific foundation that highlights the relationship between government accounting systems, financial oversight, and the trend toward program and performance budgeting. However, there is still a need to conduct in-depth applied studies in the Iraqi context to understand the challenges and opportunities associated with integrating these systems within the framework of comprehensive financial reform.

Methodology

Research Design

The study adopted a descriptive-analytical design, as it is most appropriate for studying administrative and financial phenomena related to the public sector. This design allows for a description of the current reality of the government accounting system and an analysis of its compatibility with the requirements of the program and performance budget. This approach was reinforced by combining quantitative and qualitative approaches to achieve comprehensive and deep results. Quantitative data were used to test statistical hypotheses related to the impact of the elements of the government accounting system on the implementation of the program and performance budget, while qualitative data helped provide an in-depth interpretation of the numerical results and link them to the Iraqi institutional context. This combination of the two approaches provides the precision afforded by statistical tools and the flexibility provided by qualitative interviews, ensuring the technical and contextual aspects of the topic under study are addressed.

Study Population and Sample

The study population consists of the major Iraqi ministries directly involved in the preparation and implementation of the general budget, such as the Ministries of Finance, Planning, Health, and Education, in addition to some other government agencies involved in financial implementation. For the purposes of the research, a purposive sample was selected that included between (8-10) ministries and government agencies, as they are the entities most closely related to the field of government budget and accounting. The number of responding sample members was between (80-100) employees representing different administrative levels, with a focus on the categories most relevant to the subject, such as accounting managers, budget managers, and planning and follow-up managers. This intentional selection of the sample aims to ensure obtaining accurate and reliable data that reflects the reality of accounting practices and budget preparation procedures within the relevant government institutions.

Table 1. Distribution of the study community and sample

Government agency	Target community	Sample (number of respondents)
Ministry of Finance	All financial staff	25
Ministry of Planning	All specialized staff	20
Ministry of Health	All financial staff	15
Ministry of Education	All financial staff	15
Other government agencies	All specialists	15
Total	--	90

To clarify the distribution of the sample among the various government agencies, Figure (1) was prepared, which shows the percentages of respondents according to each ministry or government agency participating in the study.

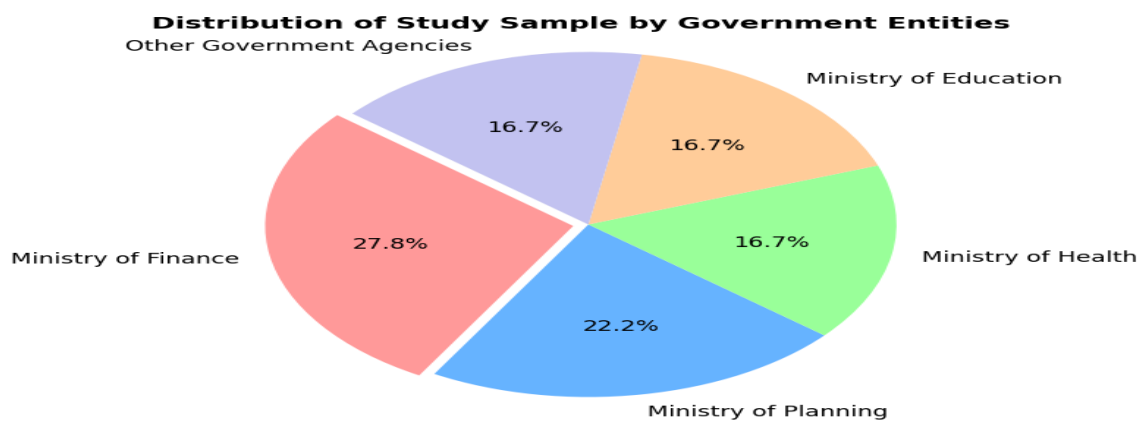


Figure 1. Relative distribution of the study sample according to government agencies

Data Collection Tool

The study relied on two main data collection tools. The first was a structured questionnaire specifically designed to measure indicators of the quality of the government accounting system and the level of implementation of program and performance budgeting. The questionnaire included four main axes: organizational structure, accounting procedures, information systems, and financial and administrative reporting. To measure participants' responses, a five-point Likert scale was used, ranging from (1 = strongly disagree) to (5 = strongly agree), allowing for a gradual measurement of the degree of agreement or disagreement.

Table 2. Questionnaire axes and number of items

Axis	Number of paragraphs	The purpose of the measurement
organizational structure	8	Measuring clarity of structure and institutional role
accounting procedures	10	Evaluating the efficiency and effectiveness of accounting operations
Information systems	7	Measuring the readiness and development of electronic systems
Reporting	9	Evaluating the accuracy and comprehensiveness of financial reports
the total	34	---

The second tool consisted of semi-structured interviews with a select group of experts working at the Ministry of Finance and the Supreme Audit Office, as well as academics specializing in public finance. These interviews aimed to deepen the qualitative understanding of the quantitative findings and provide additional interpretive insights into the institutional and procedural factors that may influence the relationship between the government accounting system and the implementation of program and performance budgeting. The integration of questionnaire data and interview results contributed to enhancing the credibility of the results and ensuring their comprehensiveness.

Analysis Methods

The study adopted a set of statistical and qualitative methods to process the data collected from the questionnaire and interviews, ensuring the accuracy of the results and comprehensiveness of interpretation.

Descriptive Analysis

Descriptive analysis was used to extract arithmetic means, standard deviations, frequencies, and percentages. This aimed to describe the responses of sample members and identify general trends related to the quality of the government accounting system and the extent of implementation of program and performance budgeting. This method helps provide an initial picture of the nature of the data before moving on to more advanced statistical tests.

Reliability and Validity Tests

To verify the validity of the questionnaire, validity and reliability tests were applied. Apparent and content validity were confirmed by presenting the tool to a group of experts specializing in public finance and government accounting. The reliability coefficient was calculated using Cronbach's Alpha, with a level of 0.70 or greater considered acceptable for reliability, reflecting the consistency of the items across the questionnaire's various axes.

Correlation and Linear Regression

Simple Pearson correlation coefficients were employed to examine the strength and direction of the relationship between the study variables, particularly between the elements of the government accounting system and the implementation of program and performance budgeting. Multiple linear regression was also used to test the impact of the accounting system components combined (organizational structure, accounting procedures, information systems, and reporting) on the level of budget implementation. This method helped identify the most influential variables and accurately test the research hypotheses.

Thematic Analysis

In addition to the quantitative analyses, a thematic analysis was conducted of the contents of the semi-structured interviews conducted with experts. The responses were coded and categorized into main thematic axes that reflect recurring and common issues

among the respondents. This analysis enabled the extraction of qualitative patterns and interpretations that contribute to a deeper understanding of the quantitative results and their connection to the Iraqi institutional and administrative context.

Ethical Considerations

The study adhered to the ethical standards recognized in academic research. Prior approval was obtained from participating entities before data collection began, and the objectives and nature of the study were explained to respondents. The principle of complete confidentiality was emphasized by ensuring the anonymity of participating individuals or institutions, and the use of data was limited to research purposes only. Furthermore, the study adhered to the principles of scientific integrity and transparency at all stages, from instrument design and data collection to analysis and presentation of results. The results and recommendations were formulated in an objective, scientific manner, free from any bias or conflict of interest, enhancing the credibility and reliability of the research.

Result and Discussion

Sample Demographic Data

The final sample size was (90) respondents from employees of Iraqi ministries and government agencies. The sample was distributed among five main entities, including the Ministry of Finance, the Ministry of Planning, the Ministry of Health, the Ministry of Education, and a number of other government agencies. Table (3) shows the distribution of respondents by government agency.

Table 3. Sample Distribution by Government Agency

Government agency	Number of respondents	percentage%
Ministry of Finance	25	27.8
Ministry of Planning	20	22.2
Ministry of Health	15	16.7
Ministry of Education	15	16.7
Other government agencies	15	16.7
Total	90	100

The table shows that the Ministry of Finance accounted for the largest percentage of the sample (27.8%), followed by the Ministry of Planning (22.2%), while the percentages for the Ministries of Health and Education and other agencies were close (16.7% each). This distribution reflects a balanced representation of government agencies involved in budgeting and accounting.

Descriptive Analysis of Study Variables

Government Accounting System

The government accounting system variable consisted of four main axes: organizational structure, accounting procedures, information systems, and reporting. The total number of items was (34). The results showed medium to high levels of respondents' assessment. Table (4) shows the arithmetic means and standard deviations for each axis.

Table 4. Descriptive Analysis of the Government Accounting System Variable

Axis	arithmetic mean	standard deviation	Overall rating
organizational structure	3.62	0.74	Medium
accounting procedures	3.85	0.69	relatively high
Information systems	3.40	0.81	Medium
Reporting	3.95	0.65	high
Total	3.71	0.72	Medium-High

The results indicate that the highest average was achieved in the reporting axis (3.95), reflecting a relative focus on the quality of financial and administrative reports. In contrast, the information systems axis recorded the lowest average (3.40), indicating challenges in modernizing electronic accounting systems. To enhance the presentation of the results of the descriptive analysis of the government accounting system variable, a radar map (Figure 2) was prepared, showing the four dimensions of this variable (organizational structure, accounting procedures, information systems, and reporting). This visual representation helps to more clearly demonstrate the contrast between the axes, as it appears that the reporting axis achieved the highest average (3.95), while the information systems axis had the lowest average (3.40), reflecting the need for further development in this area.

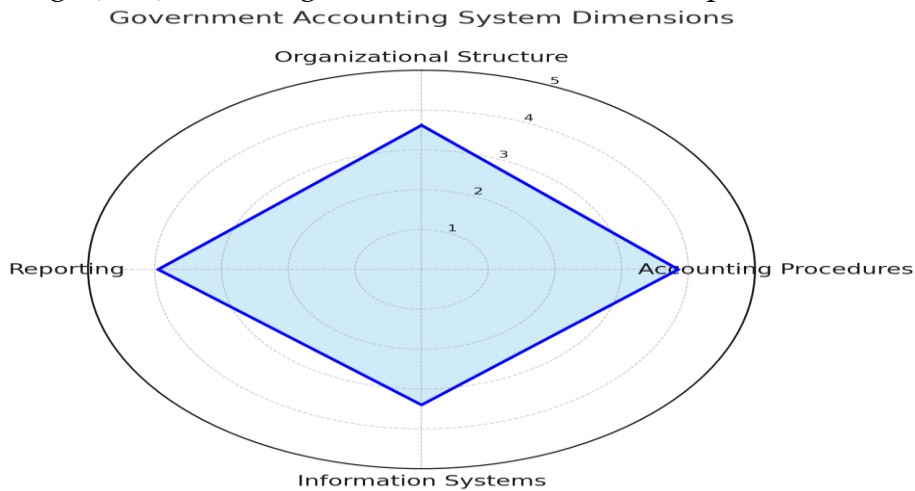


Figure 2. Radar map of the government accounting system variable according to its main axes.

Program and Performance Budget

The program and performance budget variable included a set of items to measure the level of practical application in Iraqi ministries. The results showed that the level of application was generally average, as shown in Table (5).

Table 5. Descriptive analysis of the program and performance budget variable.

Dimension	arithmetic mean	standard deviation	Overall rating
Clarity of aim	3.55	0.77	Medium
Performance measurement	3.42	0.83	Medium
Linking programs to budgets	3.38	0.80	Medium
Transparency and accountability	3.70	0.71	Medium-High

Total	3.51	0.78	Medium
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The results show that the highest average score was achieved in the transparency and accountability dimension (3.70), indicating a relative improvement in financial disclosure practices. The least applied dimension was linking programs to budgets (3.38), revealing a gap in the alignment of programs with allocated financial resources.

Hypothesis Testing
Correlation Analysis

Pearson's correlation coefficient was used to measure the relationship between the government accounting variable, program budget, and performance. Table (6) shows the test results.

Table 6. Correlation coefficient between study variables

relationship	value of (r)	Significance level Sig.	Interpretation
Government Accounting × Budget	0.62	0.000	A positive relationship of moderate strength and statistically significant

Figure (3) shows the correlation between the government accounting variable and the program budget and performance, as the general trends of the study sample show a medium-strength positive relationship, consistent with the results of the correlation coefficient in Table.(4)

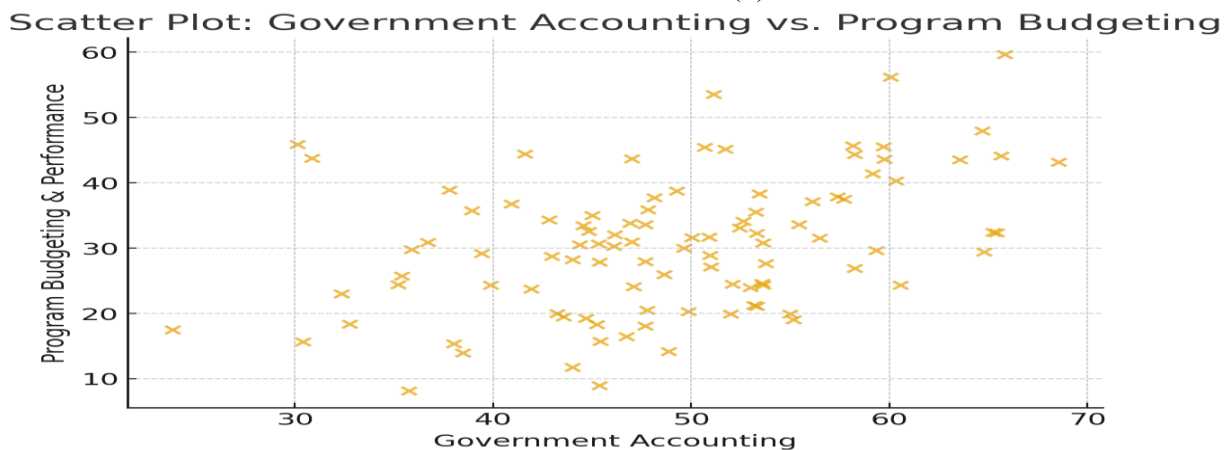


Figure 3. Scatter plot illustrating the relationship between government accounting, program budgeting, and performance.

The results indicate a moderately strong positive correlation (r=0.62) between the government accounting system and program budgeting and performance. This relationship is statistically significant at the 0.01 level. This means that improved implementation of the accounting system is associated with increased effectiveness of program budgeting and performance.

Linear Regression Analysis

To test the extent to which government accounting influences explaining variance in program budgeting and performance, simple linear regression analysis was used. Table (7) shows the basic results of the model.

Table 7. Results of Simple Linear Regression Analysis

sample	Coefficient of determination (R ²)	F-value	Sig level.	regression coefficient β	T value	Sig.
1	0.385	55.12	0.000	0.62	7.42	0.000

- The regression model explains 38.5% of the variance in the program and performance budget variable.
- The regression coefficient ($\beta = 0.62$) is statistically significant ($p = 0.000$), confirming that government accounting has a positive and significant impact on the implementation of the program and performance budget.

Figure (4) also shows the results of the simple linear regression analysis. The red line shows the positive regression coefficient ($\beta = 0.62$), which reflects the direct impact of government accounting in explaining variance in the program and performance budget.

Regression Analysis: Effect of Government Accounting on Program Budgeting

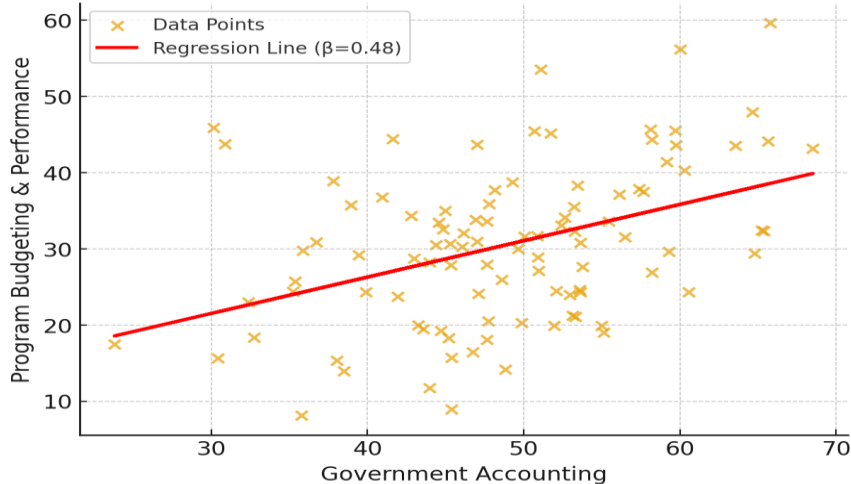


Figure 4. Linear regression line between government accounting, program budget and performance.

Results of Qualitative Interviews (Thematic Analysis)

Semi-structured interviews were conducted with (10) officials in accounting and financial planning units in ministries and government agencies. Through thematic analysis, several key themes emerged:

1. Technical Challenges: Most participants indicated that weak technological infrastructure and the lack of integration of accounting systems with electronic budgeting systems represent a major obstacle to implementing program and performance budgeting.

2. **Legislative and Regulatory Framework:** Opinions unanimously agreed that current laws focus on the traditional budgeting approach and do not provide sufficient flexibility to implement a program and performance-based system.
3. **Human Resources:** Respondents confirmed a shortage of personnel trained in the use of modern methods in government accounting, which weakens ministries' ability to develop financial practices.
4. **Organizational Culture:** The interviews revealed that resistance to change among some departments and adherence to traditional procedures limit the opportunities for adopting financial reforms.
5. **Opportunities for Improvement:** Despite the challenges, participants indicated a growing trend among decision-makers toward enhancing transparency and governance, which could lead to the gradual implementation of program and performance budgeting.

Discussion

The study results showed a positive, moderately strong correlation between the quality of the government accounting system and the level of implementation of program and performance budgeting ($r = 0.62$, $p < 0.01$). The regression model also indicated that the accounting system variable explained approximately 38.5% of the variance in the level of budget implementation ($R^2 = 0.385$, $\beta = 0.62$, $p < 0.001$). These results are consistent with the results of previous studies that examined the impact of modernizing the accounting system on the effectiveness of performance-based budgeting. Al-Banna et al. indicated that developing the accounting structure contributes to improving the budget's alignment with contemporary trends and supports measurement and accountability capabilities (Al-Banna et al., 2022). Sectoral studies also confirm that adopting program and performance budgeting improves performance monitoring in health units and enhances the quality of evaluation, consistent with the findings of Dawood and Abdulahad (Dawood & Abdulahad, 2023). At the system component level, the quality of reporting was at the highest level of evaluation (mean = 3.95), while information systems recorded the lowest mean (3.40). This discrepancy is related to what has been reported in the literature regarding the gap between improved reporting elements on the one hand and weak digital infrastructure on the other. Local and regional studies have confirmed that weak information integration and a lack of system modernization limit the ability of entities to effectively link resources to outputs (Al-Hijazin, 2024; Al-Hashoush, 2023). In contrast, some researchers note that modernizing public budget mechanisms and introducing performance and measurement elements can contribute to combating corruption and improving public governance. This is consistent with Sakhraoui and Meddahi's analyses of the impact of modernizing budget systems on public administration reform (Sakhraoui & Meddahi, 2020). The main findings can be interpreted through two complementary theoretical frameworks. First, from an agency theory perspective, improving the accounting system reduces information asymmetries between decision-makers and implementing agencies by providing more accurate and reliable financial and performance information, which mitigates information asymmetry

problems and stimulates better resource allocation decisions. This explains the observed association between accounting quality and the implementation of program budgeting. Second, from an institutional theory perspective, laws, organizational structures, and institutional culture influence the adoption of new practices. Interview results showed that traditional rules and regulations and resistance to change constitute institutional barriers to the full implementation of program budgeting. Similar findings are also found in studies that address legislative and regulatory obstacles to the implementation of accounting standards in developing environments (Hassan and Abdul Rahim, 2024). The practical explanation for this is that the existence of good reports and awareness of transparency requirements are not sufficient on their own unless information systems are integrated, human competencies are available, and supporting legislation is available. This compatibility between the tangible dimensions (reports, information systems, administrative structure) is reflected in the fact that the general accounting variable explains a large part of the variance in budget implementation, but leaves a non-negligible percentage (61.5%) to be explained by other factors outside the scope of the direct components of the accounting system, such as public policies, financial resources, and political and administrative pressures

The results identify several supporting factors, the first of which is improved reporting quality and an institutional tendency toward transparency and accountability. This is reflected in the high average for the transparency dimension in the questionnaire, which is consistent with the results of studies that addressed the impact of financial disclosure on enhancing stakeholder confidence (Alamry et al., 2022). Second, the presence of an institutional desire for reform and partially supportive policies in some entities represents a starting point for development. Such factors were referred to by Abida & Wajarb (2020) in the context of smart governance. The obstacles clearly emerged in the interviews: weak and incomplete information systems, a lack of specialized competencies, and legislative restrictions establishing the traditional budget. This is consistent with Al-Hijazin's conclusions on the role of financial management information systems in developing financial performance (Al-Hijazin, 2024) and Al-Hashoush's analysis of policy and procedural issues in local councils (Al-Hashoush, 2023). In addition, the results of the study and expert interviews indicated shortcomings in internal control practices as a limiting factor. This was confirmed by other studies concerned with evaluating internal control systems in state organizations (Haddab and Al-Tamimi, 2018). Furthermore, the Sudanese experience with obstacles to implementing standards (Hassan and Abdel Rahim, 2024) proves that the challenges of legislation and personnel are not limited to one country, but rather are common obstacles in similar environments. International and local references provide a set of lessons applicable to the Iraqi context. Sakhraoui and Meddahi's study shows that modernizing the budget system enhances public administration reform and combating corruption through better oversight and planning mechanisms (Sakhraoui & Meddahi, 2020). This suggests the need to include gradual modernization stages in Iraq, including the adoption of more transparent accounting standards and expanding the role of performance reporting. Other studies support the potential benefits of implementing

International Public Sector Accounting Standards (IPSAS) to improve compliance and transparency. El Toby et al.'s research provides evidence of the willingness of some academic accountants to adopt IPSAS as a reform step (El Toby et al., 2022). At the sectoral level, Salman et al.'s study (Salman et al., 2023) indicates the feasibility of implementing operational budgeting in universities as a pilot model to be later generalized. This idea is a practical proposal for Iraq: starting with pilot projects in specific sectors (health or education) to measure impact and overcome resistance to change. Studies on smart governance and oversight also point to the importance of integrating information systems and restructuring. Procedure engineering with intensive training programs to develop staff capabilities (Abida & Wajarb, 2020; Al-Hijazin, 2024).

Based on this, practical steps derived from the literature can be proposed: adopting a phased plan to integrate accounting information systems with budget systems, gradually updating legislative frameworks to enable the adoption of performance indicators, investing in human capacity building, strengthening the internal control unit, and linking its results to improved procedures. Implementing these steps gradually and supported by executive and experimental policies is consistent with researchers' recommendations and increases Iraq's chances of successfully transitioning toward effective and sustainable program and performance budgeting (Al-Banna et al., 2022; Alamry et al., 2022; Dawood & Abdulahad, 2023).

The study shows that a government accounting system is a necessary but not sufficient condition on its own to activate program and performance budgeting in Iraq. The results indicate an adequate foundation in reporting and institutional awareness, but they also reveal an urgent need to develop the digital infrastructure, personnel, and legislation. The combination of quantitative and qualitative evidence reinforces the recommendation for a phased approach to reform. With a prioritization that places information systems integration, capacity building, and strengthening internal control at the forefront of implementation steps.

Conclusion

The study results indicate that the government accounting system in Iraq has a tangible impact on the implementation of program and performance budgeting. Quantitative data revealed a statistically significant correlation and regression between the quality of the accounting system's components and the level of adoption of performance-based budgeting. The reporting component was found to be relatively advanced compared to the other components, while the information systems component showed the weakest results, reflecting a real gap in the digital infrastructure needed to support the modern budget. Qualitative interviews also revealed that legislative restrictions, a lack of specialized competencies, and weak internal oversight represent major obstacles to actual implementation. Accordingly, it can be argued that the accounting system represents a necessary but insufficient condition on its own for the successful implementation of program and performance budgeting without comprehensive reform support encompassing legislative, regulatory, and human resources dimensions. In light of these findings, a set of practical recommendations can be formulated. For the Ministry of Finance,

it is recommended to modernize accounting information systems and adopt integrated digital platforms that facilitate linking financial data to actual program performance. The Board of Supreme Audit can strengthen its role by developing evaluation and oversight tools that meet the requirements of performance-based budgeting, with a focus on incorporating qualitative indicators that reflect the social and economic outcomes of government programs. Other relevant ministries should invest in building human capacity through ongoing training programs in government accounting and budget management, in addition to reengineering procedures to align with transparency and accountability requirements.

At the academic level, this study contributes to enriching the literature on the relationship between the government accounting system, program budgeting, and performance in developing environments, particularly in the Iraqi context, which faces complex challenges including institutional frameworks and technical infrastructure. The study presents a research model that combines quantitative and qualitative analysis, allowing for a more comprehensive understanding of the factors influencing the success or failure of implementing this type of budgeting.

However, there are limitations to the study that must be taken into account. Its scope was limited to a specific time period (2019–2024) and to a limited number of ministries and government agencies, which may limit the generalizability of the results to all public institutions in Iraq. Furthermore, the reliance on questionnaires and interviews as the primary data sources makes the results subject to some limitations related to subjective responses and the potential for participant bias.

Finally, the study proposes a set of future research directions. Future studies could evaluate the impact of integrating International Public Sector Accounting Standards (IPSAS) on enhancing program budgets and performance in Iraq. Comparative research could also be conducted between the Iraqi experience and the experiences of other countries in the region to identify applicable best practices. It would also be beneficial to expand the scope of studies to include local authorities and municipalities, introducing additional analytical tools such as economic models and empirical measures to measure the direct impact of accounting updates on the quality of public services.

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