The Justification of Using Activities Based Costing (ABC)  
“An Applied Study on Commercials Banks in Kuwait”  
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Abstract  
Represents the financial and banking sector one of the leading service sectors in the economies of the countries, Which directly impact on rates of growth and progress of the gross national, Where you play an important role in providing the necessary funds for investment and facilitate the conduct of the products, in addition to its significant role in the conduct of international trade, From this point of view, support the success of this sector in achieving its objectives and to ensure continuity in the provision of services of the priority objectives in any economy,  
And more important in this regard, the enormous development in communication technology and modern technology in the delivery of services and production on the one hand, As well as increasing and the escalation of the intensity of competition in this sector on the other hand, given the importance of the accounting system in the banking sector was necessary to keep pace with the accounting system used with the different forms of development activities in this sector.  
The present study focused on the possibility of applying cost-accounting system based on activities (ABC) in the commercial banks operating in Kuwait and through answering the following questions:  
1 - Do you fit the work of commercial banks operating in the State of Kuwait and the requirements of the application system costs based on activities (ABC)?  
2 - Do you contribute to system cost based on activities (ABC) to reduce the cost of banking services?  
3 - Is the application of system costs based on activities (ABC) to increase the efficiency of banks?  
I have been to clarify previous studies that dealt with the subject and the outcome of the recommendations and a statement as characterized by this study include those features:  
1 - Scope of the study, which includes the banking sector in the State of Kuwait.  
2 - The differing circumstances and community sample in the current study, the commercial banking sector in Kuwait than in previous studies.
The study examined the theory in Chapter II to clarify the concept of system costs based on activities and nature of the commercial banks, Draw the distinction between cost accounting system based on the activities and the traditional system of costs, the emergence of system costs based on activities and development, Advantages of cost-accounting system based on the activities, steps and the mechanism of the application of cost-based activities, the requirements of the application system costs based on activities in the commercial banks, the criticism of the cost accounting system based on activities, And practical steps to implement the proposed system costs based on activities in the commercial banks.

The study was conducted in a process of commercial banks operating in the State of Kuwait to extract the actual results to discuss the hypotheses of the study on the three axes of wonder associated with the proposed application of the system, using descriptive analytical approach to suitability for the purposes of this study. I have been to rely on sources of qualitative data collection on primary and secondary sources and primary data collection method was used the field study. A questionnaire has been prepared for distribution to the study sample consisting of 200 workers in some commercial banks and Kuwait's (10) banks, As for the secondary data has been drawn reviewed many studies and theses, books, periodicals and web sites related to the subject of research, has been mentioned in the reference list.

After collecting the data had been using the program SPSS to perform the following treatments:
- Descriptive statistics (frequency, arithmetic mean, standard deviation).
- One sample "T" test.
- Pearson correlation coefficient.
- Kronpakh coefficient alpha formula.
- Spearman Brown.

I have dealt with the theoretical study three hypotheses, the results of the analysis was to answer the sample questions these assumptions as follows:

I: the Results of the first hypothesis:
**Hypothesis:** "I do not fit the work of commercial banks operating in the State of Kuwait and the requirements of the application system costs based on activities."

**Result:** not the first hypothesis.

II: Results of the second hypothesis:
**Hypothesis:** "I do not contribute to cost-accounting system based on the ABC activities in commercial banks operating in the State of Kuwait in reducing the cost of banking services and in such a way to maximize profitability."

**Result:** the invalidity of the second hypothesis.
III: Results for the third hypothesis:

**Hypothesis:** "The application of the costing system based on the (ABC) activities to increase the efficiency of commercial banks operating in the State of Kuwait and its effectiveness".

**Result:** The invalidity of the third hypothesis.

In the final chapter of the study, the findings and recommendations of the research are:

**Recommendations:**
- Due to the inability of traditional cost systems to address the indirect costs in terms of the mechanism of the final allocation of the services provided to customers in such a way to calculate the cost of the service provided is not accurate, it has become to rely on these data lead to decisions is sound may be strategic in nature such as determining pricing policy to ensure that the profit margin is reasonable, therefore, the adoption of systems costs of adequate modern, such as cost accounting system based on the activities will work to develop the mechanism of action of these banks.
- The wealth of data and more accurate information and appropriate decision-making process more efficiently and effectively.

- We have confirmed the results of the analysis that has been reached to the availability of justifications for the application of cost-accounting system based on activities in the international banks in Kuwait, which is strongly competitive, and the ability to get rid of the additional burdens, and to identify the causal relationship between the indirect costs of service offered to customers of those services that do not add value or benefit to him, and that these systems are accurate and appropriate for the work and objectives of the banks.

- Through field visits by the researcher, interviews with members of the study sample, the researcher recommends the need to work on the rehabilitation and know the staff in the banks to carry out administrative and financial tasks more accurately, and this contributes to help the Bank's management to read the financial statements more clearly, making it easier to take decisions more effectively and quickly.

- The researcher recommends the need for researchers and those interested in further studies concerning the system costs based on activities at the service sector in general and the banking sector in particular for the purpose of developing the system in order to achieve the objectives of its departments to make the most of the results Use.