

The Contribution of the Financial Accounting System in Enhancing Entrepreneurial Projects: A Case Study of Construction Projects in Sidi Bel Abbas

Benchiha Kada Hichem¹,

¹*Djillali Liabes University, (Algeria), hichem.benchiha@univ-sba.dz*

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ABSTRACT

The study aims to implement the financial accounting system in entrepreneurial projects in Algeria, given that this system is mandatory by the government according to Law 07/10. It also seeks to shed light on the subject of entrepreneurship by analyzing its current state in Algeria and examines whether this system plays a significant role in the success of entrepreneurial projects. Additionally, the study investigates the role of financial support structures and facilities in funding these projects. After reviewing the theoretical aspect, the practical study evaluates the actual accounting field in Algeria by selecting some construction projects as a case study. The main findings of this research indicate that the application of the financial accounting system in most projects is seen more as a formality than tacit. However, despite this, it has positive effects on the Algerian accounting environment from a theoretical perspective, but its effectiveness remains subject to real-world circumstances and time.

1. Introduction

The rapidly changing landscape in all fields today represents a turning point towards new and distinctive concepts that provide projects with opportunities for growth and advancement. The interest in entrepreneurial projects has increased exponentially realizing their importance for the national economy. Entrepreneurial projects are the primary drivers of economic activity and growth in most countries. They possess unique characteristics such as flexibility, the ability to adapt quickly, innovation, development, and serve as the main element in absorbing the workforce.

Supporting entrepreneurial projects can have a positive impact on the structure and growth of the national economy as a whole. The emergence of promising projects will create job opportunities, particularly for young people entering the labor market for the first time. To achieve this, the Algerian government has devoted significant resources, established funding mechanisms, legal and tax facilities, and set up financial support structures with the aim of creating a supportive environment that enables project owners to acquire various skills necessary for their success in setting up their businesses. Moreover, these measures help them in overcoming various risks and threats they may encounter during their project establishment.

Due to the critical situation of the Algerian economy, characterized mainly by the public institution's inability to achieve economic development, the importance of entrepreneurial projects has emerged as various studies have highlighted their prominent and essential role in achieving economic and social growth. Their appeal lies in the fact that they do not require massive capital investments while providing a substantial share of the workforce. Recognizing their significance, the Accounting Standards Board introduced an international accounting standard for these projects in July 2009. This standard assists entrepreneurial projects in preparing their financial statements to meet the needs of financial statement users. In 2010, Algeria introduced the Financial Accounting System,

which resulted in the abolition of the National Accounting Chart of 1975. This step was taken in accordance with Law 11/07 issued in 2007. Through this significant move, Algeria aimed to align its accounting practices with the International Accounting Standards (IAS/IFRS) by revising its accounting systems to comply with international norms.

The Financial Accounting System specifically addressed entrepreneurial projects, employing simplified accounting methods like cash accounting. Due to the increasing number of new projects and the growing interest in adhering to accounting principles that suit their needs and nature, special attention was given to establishing an encouraging accounting environment to enable continuous development and growth of these projects.

The Problem statement :

The primary objective of this study is to answer the following question: To what extent are the components of the Financial Accounting System applied in entrepreneurial projects in Algeria?

Hypotheses:

1. The financial accounting system meets all the needs of the institution.
2. The financial accounting system contributes to improving the accounting practices for entrepreneurial projects.
3. The government aims to support and accompany contracting projects.

1.1. Review of Literature

Some interesting studies have been published on this topic during the last few years. In a paper entitled “Contribution of Business Incubators in Supporting and Promoting Small and Medium Enterprises: The Algerian Experience,” Zemmit El Khir (2015) explored the reality of business incubators in Algeria and their role in supporting and promoting small and medium enterprises. It examined the impact of the services provided by business incubators to these enterprises, ensuring their sustainability. It also highlighted the neglect of the importance of entrepreneurial projects in achieving sustainable development.

In 2015, Joudi Mohamed Ali contributed with a study entitled “Towards Entrepreneurship Development through Entrepreneurial Education.” This doctoral thesis focused on studying entrepreneurial education strategies and programs, as well as the content of such programs. It revealed that entrepreneurship is a multidimensional phenomenon centered around creativity and risk-taking. The Algerian government has encouraged individual initiative and competition by enacting laws to promote entrepreneurship. However, it neglected support programs and entities to ensure the success and continuity of these projects.

The Master’s thesis of Amin Omrani “Evaluation of the Application of Financial Accounting System in Economic Institutions Operating in Algeria” (2014) highlighted the significant steps undertaken by Algeria in economic reforms by adopting the financial accounting system. However, the implementation required training for users.

On the other hand, Soumia Foudili’s “The Reality of Applying the Financial Accounting System in Economic Institutions: An Analytical Study of a Group of Economic Institutions in M’sila Province” (2014) found that institutions did not fully comply with the rules of the financial accounting system, and employees lacked the expertise to implement it. The study concluded that the current situation of the institution and the Algerian accounting environment did not serve the sustainability of the financial accounting system.

An interesting paper published by Melanie Jalknes (2014) on “Sustainable Entrepreneurship: Is It a Profitable Trade? From Business Trends (Trend-Tunisia)” has contributed significantly to the understanding of entrepreneurship projects and the idea that conducting business differently should not be an occasional trend but a path towards achieving sustainable businesses. Three pillars for sustainable companies were identified, including environmental considerations, social purpose, and a long-term applicable business model. Small and medium-sized projects were found to align better with these principles, with examples ranging from the food industry to construction.

2. Concept of Entrepreneurship and Factors Affecting the Entrepreneur

2.1. The Concept of Entrepreneurship

Entrepreneurship is an old concept that was first used in the French language at the beginning of the sixteenth century. The term "entrepreneurship" (entrepreneuriat) is derived from "entrepreneur;" in English, it is referred to as "entrepreneurship" (Mesghani & al., 2008, pp. 7-8) [1]. Initially, the concept included the idea of risk-taking and facing challenges that accompanied military expeditions. Over time, it continued to be used in the same context, despite its inclusion of non-military endeavors that carried the spirit of risk-taking, such as engineering works and bridge construction.

Some researchers argue that entrepreneurship is a process of ensuring success through specialized management. Ensuring success means achieving significant economic gains and continuous growth, even in the face of unforeseen risks. This requires a high level of knowledge, efficient management, strong design, clarity of vision and goals, and the safety of means (Abdelaziz, 2016, p. 14) [2].

In recent times, there have been numerous definitions related to the concept and nature of entrepreneurship. Although there is a considerable convergence in their general meaning, some of them agree that entrepreneurship is the ability and willingness to organize and manage relevant business activities, in addition to encompassing new concepts such as innovation and risk-taking.

Entrepreneurship is the process of creating something new and valuable, dedicating the necessary time, effort, and money to the project, bearing the associated risks, and reaping the result in the form of rewards. It is a dynamic process of accumulating wealth, which is generated by individuals who take risks with their capital and commit to apply all procedures in order to add value to certain products or services. These products or services may be original or unique, but the entrepreneur must add value to them by allocating the necessary resources and skills.

In this way, entrepreneurship is often linked to uniqueness, as it mainly relies on difference, diversity, new agreements, and innovative approaches rather than following established models and customs. Through entrepreneurship, we can secure products and unique ways of doing things. It is not about exact replication or following what others do; it is about creating something new and distinct. Entrepreneurship is the process through which an individual or a group of individuals utilize organized efforts and means to pursue opportunities, secure value, and achieve growth for a project by responding to desires and needs through creativity and uniqueness. (Al-Najjar, Abd al-Sattar, 2010, pp. 5-6) [3].

Schumpeter (1928), on the other hand, sees the essence of entrepreneurship lying in anticipation and optimal exploitation of new opportunities in the company by contributing to the divergent use of national resources, which are deducted from their natural use and subject to new combinations. To make entrepreneurship a systematic and effective process, it is necessary to integrate all functions, activities, capabilities, and skills within the process of identifying, evaluating, and exploiting discovered opportunities following a well-structured entrepreneurial process in order to create a future asset or service. (Abdelaziz, 2016, p. 17).

2.2. Factors influencing the entrepreneur

Entrepreneurs are influenced by various factors, namely the following psychological traits :

1. The need for personal achievement : Entrepreneurs have a strong drive to achieve personal success and accomplishments.
2. Creativity and initiative : They possess the ability to think innovatively and take the initiative to pursue new ideas.
3. Self-confidence : Entrepreneurs have a high level of self-confidence in their abilities and decisions.
4. Desire for independence : They have a strong desire for independence and autonomy in their work.
5. Interest in discovering new challenges : Entrepreneurs are typically curious and eager to explore new challenges. They often possess intuition and enough courage to take risks and seek out various opportunities.
6. Ability to handle the unusual : Since entrepreneurs constantly face new problems, they must have the ability to deal with the unexpected and adapt to unconventional situations.
7. Strong enthusiasm and determination : Entrepreneurs are highly passionate and determined to achieve their goals.
8. Sense of responsibility : They take responsibility for their actions and decisions.
9. Inclination to risk-taking : Entrepreneurs are willing to take calculated risks, avoiding excessively risky situations while striving for success at any cost.

10. Competence in communication : Effective communication skills are essential for entrepreneurs to interact with others, build relationships, and pitch their ideas.

It is worth noting that possessing all these characteristics in a single individual can be challenging. Some of these traits are inherent, while others can be learned and improved. Given the significance of each characteristic, it is advisable for entrepreneurs to have a moderate balance of these different features.

2.3. Positive and Negative Motives of Entrepreneurs

The reasons that drive an entrepreneur to establish their own business can be divided into two categories : positive and negative motivations.

The positive motivations include :

- a. Economic motives : The desire to achieve financial profit, encouragement from banks, exploiting a new idea or market opportunity, or finding new uses for an existing product to offer new products or services, etc.
- b. Social motives : Following family traditions or the desire to achieve a social status.
- c. Personal motives : The entrepreneur's desire to work for themselves, seeking independence, benefiting personally from their professional experience, encouragement from family, friends, customers, or independent suppliers, etc.

On the other hand, the negative motives include :

- a. Dissatisfaction with employment.
- b. Inability to tolerate having a boss at work.
- c. The desire to find work after being laid off from a previous job.
- d. An unsuitable work environment in the previous institution.
- e. Lack of significant academic qualifications.

Hence, it is worth to mention that the role of negative motives should not be neglected. Venturing into entrepreneurship can sometimes be the last chance for a person to invest all their energy in order to achieve success.

3. The reality of implementing the Financial Accounting System in Algeria

3.1. Developments of the Financial Accounting System (SCF) compared to the National Accounting Plan (PCN)

The National Accounting System was based on some components of the National Accounting Plan, such as the general principles of accounting records (double-entry system, Bookkeeping, etc.), the existence of account codes, and some principles and rules for recording, valuating, presenting financial statements, and others. However, it contains several differences, characterized theoretically by four main innovations, which are stated as below according to (Dechache, 2010, pp. 80-81) [4].

- a. The first innovation : Approximating our accounting practices to international practices, which will allow accounting to operate on a more suitable reference frame work and principles that align with modern and international economies, preparing accurate information that reflects a true and fair view presentation the financial position of entities.
- b. The second innovation : Clearly stating the principles and rules that guide the accounting recording of transactions, their valuation, and the preparation of financial statements, which will reduce the risks of administrative and non-administrative manipulation of rules, facilitating audit of accounts.
- c. The third innovation : Taking into account the current and future needs of investors, allowing them to obtain coherent and readable financial information about entities, enabling comparisons and decision-making.
- d. The fourth innovation : Relating to small entities, allowing the application of a simplified accounting information system.

Other innovations include :

A- The accounts structure : In the Financial Accounting System, the chart of accounts is based on the modified French General Accounting Plan of 1983, which adopted most of its elements.

B- The new accounting treatments :

- Accounting treatment of lease contracts – financing : A new accounting treatment for lease contracts - finance has been adopted, which is now handled through the balance sheet, whereas it used to be recorded through the income statement accounts ;
- Accounting treatment of deferred taxes : The accounting treatment of deferred income taxes has been adopted according to International Accounting Standards, using accounts (693, 692, 153, 134) ;
- Accounting treatment of trade discounts outside the purchase invoice – sale : This treatment has changed compared to the previous system, where trade discounts outside purchase and sale invoices used to be treated

as financial discounts. In the new Financial Accounting System, they are treated through accounts (629, 619, 609, and 709) ;

- The Accounting Treatment of Debts through the Financial Accounting System : through the financial accounting system, we find that the accounting treatment of debts is carried out through several categories :

C- Elements of the Financial Statements : In addition to the balance sheet and the income statement, which have undergone some modifications, a cash flows statement, statement of changes in equity, and appendices have been added.

D- Measurement and Accounting Valuation : In addition to the Historical Cost principle, an evaluation of certain item has been adopted, in some cases, based on fair value, market value, realizable value, or present value.

4. The Role of Entrepreneurial Projects in Achieving Sustainable Local Development from an Economic Perspective

Entrepreneurship plays a significant role in the economic development of a country (Agarwal, Mehta, 2020, p. 13) [5]. In the same line of thought, entrepreneurial projects represent a significant area of interest in the Algerian economy, especially due to their financial, structural, organizational, and legal frame work, which positions them as a priority in Algerian reforms aimed at achieving economic growth and improving living standards. These projects contribute to increasing the Gross Domestic Product (GDP) and creating added value by efficiently utilizing limited production resources and scarce elements. Additionally, they play a vital role in achieving better development balance among different regions by reducing economic disparities between areas. This is achieved through capitalizing on the relative advantages of each region and assisting in bridging the development gaps in Algeria, there by facilitating comprehensive and parallel development. Entrepreneurial projects serve as a source of income for their founders and employees in Algeria and provide an additional revenue stream for the state through various deductions and taxes (Touhami, 2008, p.8) [6].

These projects offer an opportunity to regulate the informal economy in Algeria and act as a connecting link with in the Algerian economic environment, fostering relationships with other surrounding institutions that share and utilize similar inputs. Moreover, these projects help mitigate sudden economic losses since their risk exposure is calculated and limited. Their nature allows them to withstand periods of economic turbulence more thoroughly than larger projects due to their choice to invest in dynamic sectors and those with lower financial requirements, making them less vulnerable to financial crises. They demonstrate a high adaptability to varying economic conditions by adjusting production levels and aligning with prevailing circumstances.

Entrepreneurial projects also facilitate the utilization of the owners' personal savings, contributing to the national economy. Furthermore, they play a crucial role in stimulating demand for consumer goods, as they strive to cover a significant portion of the local market with more consumer products. This can be observed in Algeria, where many entrepreneurs concentrate their investments in the food and consumer goods industries. Consequently, this leads to achieving self-sufficiency and improving the balance of payments by reducing imports. Additionally, they contribute to achieving industrial integration.

4.1. The Role of Entrepreneurial Projects in Achieving Sustainable Local Development from a Social Perspective

Entrepreneurial projects play a significant role in addressing societal issues such as unemployment, marginalization, and social isolation, which lead to various social problems. This is achieved by creating new employment opportunities directly for project initiators and indirectly through job opportunities for others, ensuring social and financial stability for individuals within the community. Additionally, entrepreneurial projects aid in reabsorbing individuals who lost their jobs due to the bankruptcy of some public institutions.

Strategically, entrepreneurial projects contribute to achieving the principles of human development by expanding alternatives and choices for people, both in terms of work opportunities and a variety of goods and services. They strive to provide these goods and services at affordable prices, and they create employment opportunities for women, either by allowing them to work from home or within their family, without neglecting their family responsibilities (Abdul-Salam, 2012, p.160) [7].

Furthermore, these projects offer training and skill development for workers, allowing them to perform multiple tasks and acquire diverse experience and expertise. This broadens their knowledge and enhances their qualifications,

providing better opportunities for their future careers. Moreover, these projects offer new organizers the chance to enter markets and gain visibility by encouraging the emergence of innovative ideas and new inventions, which contribute significantly to development processes.

Creating such projects in Algeria provides an opportunity for society to foster a culture of work, self-reliance, discover and develop individual and collective capabilities and talents. They encourage and support positive professional development of trades and professions by capitalizing on the expertise, knowledge, and culture of experienced individuals (Sultan, 2008, p.5) [8].

4.2. The Role of Entrepreneurial Projects in Achieving Sustainable Local Development from an Environmental and Technological Perspective

Once, the role of entrepreneurial projects was limited to achieving economic and social development. However, given the current need for comprehensive and balanced sustainable development, these projects now aim to create an economic, social, environmental, and technological synthesis to achieve sustainable development. As a result, entrepreneurial projects have gained significant importance and play a crucial role in raising environmental awareness in the Algerian society. This has been achieved by providing training programs that educate workers about environmental responsibilities, benefiting from the characteristic that distinguishes these projects, making waste collection and recycling easier compared to large-scale institutions. On the other hand, entrepreneurial project aim to disseminate modern management concepts and industrial values, such as time management, high-quality standards, creativity, innovation, and efficiency.

Moreover, these projects are one of the most critical mechanisms for technological development due to their superior ability to develop and update production processes that serve economic and environmental requirements simultaneously, and do so faster and at significantly lower costs than large companies with high investments. Additionally, entrepreneurial projects contribute to the prudent and rational utilization of local resources, develop the use of local technologies, and elevate their standards through exposure to foreign markets and quality standards. By doing so, they maintain the local identity in revitalizing and supporting industries and institutions linked to the local environment (Mashri, 2008, p.95) [9].

4.3. Obstacles Facing Construction Projects in Algeria

The growth and development of the small and medium-sized enterprise (SME) sector in Algeria face several challenges, which may vary from one region to another and from one sector to another. The nature of these challenges is intertwined, as some may be internal, resulting from the enterprise owner's decisions, while others are external, caused by factors from the surrounding environment. In general, these challenges hinder the SMEs' ability to compete effectively with larger projects and impact their profitability. The main obstacles can be summarized as follows :

- a. **Capital Costs** : This affects straightly the profitability of these projects as small and medium-sized enterprises have to pay higher interest rates compared to larger businesses when borrowing from banks. Inflation also contributes to the rising costs of raw materials and currency, thus increasing operational expenses. As a result, SMEs face difficulties in competing with larger projects, preventing them from raising prices to offset rising labor and raw material costs (Al-Qahwi, Al-Wadi, 2012, pp.34-35) [10].
- b. **Financing** : SMEs encounter difficulties in obtaining financing because of their size (lack of collateral) and their newness (lack of credit history). Financial institutions face risks when funding SMEs at different stages of growth (establishment, initial growth, actual expansion, and integration).
- c. **Taxes and Insurance** : Often, tax authorities and insurance services treat SMEs, larger and government projects alike. This lack of exemptions and benefits available to larger companies increases the tax burden, which may lead to tax evasion. Tax policies should consider the importance of encouraging SME investment by treating them differently from other enterprises.
- d. **Customs Duties and Tariffs** : Multiple customs duties and tariff rates act as barriers for small and medium-sized enterprises, as the complexity of these rates is associated with the nature of the goods. Small and medium-sized enterprises face larger customs burdens as what may be considered semi-finished products in larger enterprises are seen as capital goods in SMEs. Additionally, the customs procedures themselves are difficult and complicated.
- e. **Marketing, Storage, and Competition** : SMEs face marketing challenges that limit their activities, such as sharp price declines and difficulty responding to market prices. Limited marketing advantages and market capacity changes, along with customer preferences, impact SMEs negatively. The absence of dedicated storage facilities for raw materials, spare parts, and final products also hampers operations. Proper inventory management,

including quantity, deadlines, and regularity, is often lacking, leading to either excessive investments in inventory or missed customer demands. Furthermore, SMEs face competition not only from similar projects but also from foreign enterprises.

- f. **Administrative and Executive Procedure Problems** : The Algerian administration still lags in providing services promptly and efficiently, leading to slow processing of files and project approvals, characterized by significant bureaucracy. This stems mainly from : (1) Unprepared mindset that do not understand the importance of transparency and efficiency in motivating such enterprises ; (2) Legal developments have not been accompanied by corresponding developments in executive bodies and their work methods ; (3) Bureaucracy.
- g. **Economic information problem** : Construction projects operate in a weak information environment, hindering their development. To date, there is no accurate and detailed record of the preparation of these projects, their scope of activity, and their geographical locations. As a result, their establishment occurs in chaos, and debates persist about their size.
- h. **Industrial Real Estate Problems** : Project initiators face issues related to the industrial real estate designated for their development. The Algerian real estate market has not been liberalized to encourage investment and remains subject to various authorities, such as the National Agency for Investment Promotion, the Agency for Support and Development of Local Investments, and real estate agencies. These authorities have failed to facilitate the procedures for granting industrial real estate due to a lack of decision-making authority regarding land allocation and allocation of spaces. Moreover, there is a scarcity of land for industrial activities, and the increase in speculation over industrial land is due to incentives offered to investors, such as discounted industrial land prices.
- i. **Limited Technological Use** : Insufficient financial resources and inadequately qualified employees hinder SMEs' access to technology. Accessing technology becomes challenging, and the technological knowledge possessed by the projects becomes outdated quickly due to the rapid pace of technological advancements, innovations, and new inventions.

5. Description of Findings and Data Analysis Tools

In this section, we will try to discuss the methodology used, the sampling, the data collection tools, resources and the findings.

5.1. Validity and Reliability of the Study Instrument

Validity of the Study Instrument : The variables used in the study were categorized into two dimensions based on the order of questions in the questionnaire. The statistical analysis of the data was conducted using SPSS version 22 to test the internal consistency validity of the dimensions of the financial accounting system and construction projects addressed in the study. The results of the analysis are as follows :

Table 1 : Correlation coefficient of dimensions with items

Dimension	Paragraph	Correlation Coefficient	SignificanceLevel
Contribution of the financial accounting system in improving accounting practices	Q1	0,349	0,05
	Q2	0,269	Not applicable
	Q3	0,631	0,01
	Q4	0,767	0,01
	Q5	0,503	0,01
Meeting the financial accounting system's needs of institutions	Q6	0,446	0,01
	Q7	0,694	0,01

	Q8	0,538	0,01
	Q9	0,602	0,01
Application of SCF in accounting practices of contracting projects	Q10	0,19	Not applicable
	Q11	0,519	0,01
	Q12	0,200	Not applicable
	Q13	0,578	0,01
	Q14	0,647	0,01
Support and guidance for contracting projects	Q15	0,504	0,01
	Q16	0,612	0,01
	Q17	0,145	Not applicable
	Q18	0,659	0,01
	Q19	0,525	0,01
	Q20	0,674	0,01

Note. Prepared by the researcher based on the questionnaire data and SPSS output

From the table above, we observe that all the paragraphs are valid, where the correlation coefficient with the corresponding dimensions ranges from 0.349 to 0.767 at the significance level of 0.01 and 0.05.

5.2 Reliability Test

The measurement tool was tested using Cronbach's alpha, interscale correlation, Spearman-Brown formula, and Guttman's coefficient to determine the internal consistency of all study questions combined. It also measures the credibility of adopting the study results.

The reliability coefficient takes values between zero and one. If there is no consistency in the data forming the questionnaire, the coefficient's value is equal to zero. Conversely, if there is perfect consistency in the data, the coefficient's value is equal to one. Thus, any increase in the value of Cronbach's alpha indicates an increase in the data's credibility and, therefore, the possibility of generalizing the results to the studied population. The smallest value was estimated to 0.188, while the largest value was 0.818. The latter can be considered statistically significant and excellent, indicating a high level of consistency and correlation since it exceeds the minimum acceptable threshold of 0.60. This suggests that the respondents understand most of the tool's questions in the same way as intended by the researcher, as shown in the following table:

Table 2 : The internal consistency reliability of Cronbach's alpha, interscale correlation, Spearman-Brown formula, and GuttmanScale

Variable	Cronbach's Alpha	InterscaleCorrelation	Spearman-Brown Formula	GuttmanScale
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Financial Accounting System Contribution to Improvement of Accounting Practices	0,708	0,515	0,680	0,488
Fulfillment of Financial accounting System for Institutional Needs	0,647	0,692	0,818	0,756
Application of SCF in Accounting Practices for Construction Projects	0,684	0,207	0,344	0,188
Support and Assistance for Construction Projects	0,631	0,685	0,813	0,816

Note. Prepared by the researcher based on the questionnaire data and SPSS output

Table 3: Correlation between Dimensions and the Overall Test

Dimension	CorrelationCoefficient	SignificanceLevel
Contribution of the financialaccounting system to improveaccounting practices	0,420	0,01
Fulfillment of the financialaccounting system to meetinstitutionalneeds	0,725	0,01
Application of SCF in accounting practices for contractingprojects	0,383	0,01
Support and approval of entrepreneurialprojects	0,650	0,01

Note. Prepared by the researcher based on the questionnaire data and SPSS output

Table 3 clearly demonstrates that there is a moderate correlation between the dimensions and the overall test, with correlation coefficients ranging from 0.72 to 0.38, which are statistically significant at 0.01 level.

5.3. Analysis of Variance

Also known as Fisher's analysis of variance, it refers to the mathematical processes involved in decomposing the total variance of a set of data into components, each of which is associated with a specific source. The purpose of this

analysis is to test the hypothesis of differences between dimensions and the study variables, including job position and educational level. The following tables illustrate this as follows:

Table 4: Analysis of Variance (ANOVA) for Differences between the Four Dimensions and the Study Variable in Relation to the Job Position

Variables	Sum of Squares	Mean Squares	Degrees of Freedom	F-Value	SignificanceLevel
Financial AccountingSystem's Contribution	17,947	4,374	4	2,276	0,081
Fulfillment of Financial Accounting System Needs	10,914	2,728	4	1,519	0,218
Application of SCF in Construction Projects Practices	10,906	2,726	4	2,044	0,110
Support and Assistance of Construction Projects	9,342	2,335	4	0,628	0,646

Note. Prepared by the researcher based on the questionnaire data and SPSS output

As shown in Table 4, the significance level (p-value) for the four dimensions is 0.110, 0.218, 0.081, and 0.646, respectively. Since all of these p-values are greater than 0.05, it indicates that there are no statistically significant differences between the four dimensions and the job position variable. In other words, the data do not provide enough evidence to reject the null hypothesis, which suggests that there are no significant variations between the four dimensions concerning the job position.

Table 5: Analysis of Variance (ANOVA) for Differences between the Four Dimensions with Respect to the Educational Level

Variables	Sum of Squares	Mean Squares	Degrees of Freedom	F-Value	SignificanceLevel
Financial AccountingSystem's Contribution	18,180	6,062	3	3,277	0,032
Fulfillment of Financial Accounting System Needs	7,613	2,538	3	1,381	0,264
Application of SCF in Construction	7,814	2,605	3	1,883	0,150

Projects Practices					
Support and Assistance of Construction Projects	31,004	10,335	3	3,453	0,027

Note. Prepared by the researcher based on the questionnaire data and SPSS output

As shown in the table, there are no significant differences between the dimensions representing the financial accounting system and the construction projects in terms of the educational level. The F-value for the four dimensions is consecutively 3.277, 1.381, 1.883, and 3.453, while the corresponding significance levels are 0.032, 0.264, 0.150, and 0.027. Since these values are greater than 0.05, they are not significant.

6. Results Analysis and Hypotheses Testing

Through the theoretical and field study, the following results were obtained during the testing of the hypotheses:

Hypothesis One: The financial accounting system fulfills all the needs of the institution. The hypothesis was confirmed, as the correlation coefficient was found to be 0.72. The majority of the sample population agreed that the financial accounting system is suitable for construction projects, leading to increased accounting transparency and improved measurement. Additionally, financial statements according to the financial accounting system provide an accurate picture of the institution's financial situation and align with its material and financial capabilities.

Hypothesis Two: The financial accounting system contributes to improving accounting practices for construction projects. The hypothesis was rejected as the correlation factor was weak. Most individuals faced difficulties when applying the financial accounting system.

Hypothesis Three: The state seeks to support and accompany construction projects. The hypothesis was accepted, with a correlation coefficient of 0.65. This was evident through the establishment of support and accompanying entities to motivate entrepreneurs to succeed in their projects.

7. Conclusion

Construction projects play a significant role in achieving economic development, including job creation and reducing unemployment. However, there is a need for financial and accounting information specific to these projects for various stakeholders involved. The International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) plays a significant role in providing international financial and accounting information to the parties involved.

In Algeria, significant reforms have been introduced to provide legal and financial support for entrepreneurs, including the establishment of support and accompanying institutions. However, applying the financial accounting system to all construction projects, including small and medium-sized enterprises, has been impractical. Many of these enterprises faced difficulties due to the lack of consideration for their specificities, and several evaluation procedures and rules were not applied, even in large institutions. The study suggests the following:

1. Establish centers or entities that provide necessary economic information to entrepreneurs, not limited to establishing and developing construction projects but extending to other essential market-related information.
2. The financial accounting system is easy to apply and not overly complicated, leading to cost-effective benefits.
3. The application of the financial accounting system had positive effects on the Algerian accounting environment theoretically, but its effectiveness remains contingent on practical implementation and time.
4. Conduct workshops and training sessions attended by project owners, managers, and various stakeholders in the accounting field to raise awareness of the importance of accounting information.

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