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Abstract:

Strategic cost management represents a respond to the need of organization to cope with changes in modern business environment, Target costing is one of the most important strategic cost management tools, which enables through it organizations to adopt cost reducing strategy which is considered to be a strategic choice that can be implemented, in order to gain competitive advantages over rivals in the marketplace.

This paper research aims to identify the concept of target costing system, along with its contribution in managing and reducing cost, as well as shed light on the basic pillars of strategic cost management and its importance in the current business environment.

Keywords: Strategic Cost Management, Target Costing, Reducing Cost.

المستخلص

تمثل الادارة الاستراتيجية للتكاليف استجابة لحاجة المؤسسات للتأقلم مع تطورات ومستجدات بيئة الاعمال الحديثة، حيث يعد اسلوب التكلفة المستهدفة من اهم اساليب الادارة الاستراتيجية للتكاليف، الذي يمكن للمؤسسة من خلاله تبني استراتيجية تدنية التكاليف الذي تعبر عن خيار استراتيجي يمكن تنفيذها على أرض الواقع، من أجل كسب مزايا تنافسية بالمقارنة مع المنافسين في السوق.

يهدف هذا البحث الى التعرف على مفهوم التكلفة المستهدفة ومدى مساهمتها في ادارة وتدنية التكاليف، وكذا تسليط الضوء على المرتكزات الأساسية للإدارة الاستراتيجية للتكاليف وأهميتها في بيئة الاعمال الراهنة.

الكلمات / المفتاحية: الادارة الاستراتيجية للتكاليف، التكلفة المستهدفة، تدنية التكاليف.

Introduction:

In the last two decades business environment has witnessed a dramatic changes and trends, which has forced organization to cope with these changes, through adopting new philosophies to manage their affairs, these philosophies has embodied in several names such as total quality management, re-engineering, continuous improvement, and many other techniques.

The implementation of these techniques requires from decision makers in the organization the necessity to take into account, how our organization can offer an added value to its customer through its product and services with a competitive price comparing to its rivals, by exploiting its available resources in rational way, and controlling its various costs and exploring the best possible methods to reduce them.

Within this changing environment, the role of management accounting is no longer considered to be a set of techniques oriented toward interpreting and measuring what has been spent, but it has expanded to become a mechanisms that can be used to manage cost and develop strategies that enables organization to gain competitive advantages over its rivals, by a lower price and better quality, therefore adopting pricing strategies consistent with trends and new events in the market is mandatory,

thus , pricing the product according to market is one the newest approaches based on determining the price of product to be sold in first place and then determining cost of product , and margin profit the organization want to achieve, this method is called target cost.

This paper research and depending on what has been mentioned earlier, attempts to shed the light on the target cost approach and it contribution of managing and reducing cost, and exploring the theoretical basis of strategic cost management philosophy.

1. Changes and trends in business environment:

Management accounting has witnessed a deep changes in its tools, role and concept, due to the new trends in current business environment in which organization are operating in, this changes made traditional management accounting inappropriate in decision making, this changes can be summarized in the following points:¹

1.1 Changes of the markets and greater focus on the customer

As a result of an increasing competition and globalization of markets, the markets have changed gradually from seller's to buyer's markets. In the early years of mass production, nearly products that were produced could be sold, because of the large production quantities of like products; the costs were low enough that they become affordable for most customers Today, customers usually choose from a wider products range, due to this range, customers make greater demands on quality and price as well as functionality (performance) of products. "Customers now tell suppliers what they want, when they want it, how they want it, and what they will pay, Therefore, companies have to direct themselves more consequently and systematically towards the customers and the competitors.

1.2 Shifts in the Basis of Competition

Besides the customer's needs, the competition situation has also changed, in today's globally competitive environment, companies compete on the basis of not only price but also quality, product flexibility, and response time. As a result of that, companies must focus on ways to increase customer satisfaction while also earning a reasonable return. Technology advantages, which lasted long some time ago, lose their importance much quicker, because firstly the technology can be copied from the competitors and secondly technological innovations come relatively quickly. The competition causes an increase of research and development activities, which then lead to a constant development of new products as well as a shortening of the product's life cycle, which creates more difficulties for research and development activities.

1.3. Advances in the manufacturing and information technologies:

The manufacturing environment is undergoing revolutionary changes in many industries with the advent of advanced production techniques. Many companies are adopting new manufacturing and information technologies to remain competitive in the face of the increasing global competition. These include just-in-time production systems to reduce or eliminate waste in the total manufacturing cycle for the purposes of reducing cost, improving quality, performance, and delivery, adding flexibility, and increasing innovativeness.

1.4 New Forms of Management Organization

Management organization and structure are continuing to evolve in response to the shifts in marketing and manufacturing, the business literature of the 1990's has hailed the coming of new forms of organization in this societal transformation. Terms such as the information-based organization, the self-designing organization, and the cluster organization are used interchangeably to describe new, highly flexible organizational structures in which the company is no longer a physical entity with a stable mission or location, but a shifting set of temporary relationships.

All this trends that has occurred in the business environment that we have mentioned had a significant impact on management accounting systems, where most organizations faced a deep changes in cost structure due to increase of fixed costs, which has created in its turn the need to reconsider the role played by traditional management accounting systems, and the necessity to shift towards strategic cost management systems.

2. Theoretical basis of strategic cost management

The attempt of determining the concept of strategic cost management requires defining some of its associated terms such as strategy, and strategic management, over the years, many definitions of strategy have been developed and close examination of such definitions tends to converge on the following “strategy is concerned with making major decisions affecting the long-term direction of the business”² from this definition we conclude that strategy is a process of making decisions about actions that will take place in the future, whereas strategic management is “the development of strategies and the formulation of policies to achieve organizational goals and objectives. In this process, attention must be given to both external strategies and internal capabilities. Strategic management offers a framework by which an organization can adapt to the vagaries of an unpredictable environment and uncertain future.”³ from this definition we conclude that, strategic management is a broader term than strategy and the difference between the two terms is that strategic management includes what must be done before a strategy is formulated through assessing the success of an implemented strategy.

Strategic cost management in its turns can be defined as a” set of analysis, decisions, and activities made by an organization to create and sustain competitive advantage it has four characteristics, these are: concentrating on general organizational goals, all stakeholders should participate in decision making, working through one vision to include both short and long perspectives, recognize trade-offs between effectiveness and efficiency”⁴. It can also be defined as the “is the use of cost data to develop and identify superior strategies that will produce a sustainable competitive advantage”⁵, from the above definitions we can say that strategic cost management is a mechanism under which costs information are incorporated in the process of formulating and implementing strategies that enables organization to gain a competitive advantages over its rivals, and it focuses on the following points:

- The strategy of organization;
- Cost drivers of organization;
- Continuous process of reducing cost;
- Gaining competitive advantages.

2.1 The differences between traditional cost management and strategic cost management:

The main task of traditional cost systems was recording and reporting the past events regarding costs and profits, traditional cost systems focused on determining the final cost of goods produced or services offered and the cost of inventory, therefore, we can state the key differences between traditional cost management and strategic cost management are detailed in the following table:

Table 01: Comparison of traditional cost management and strategic cost management

	Traditional Cost Management	Strategic Cost Management
Focus	Internal	External
Perspective	Value-added	Value chain
Cost analysis-way	In term of: product, customer, and function With a strongly internal focus Value added is a key concept	In terms of the various stages of the overall value chain of which the firm is a part With a strongly external focus Value-added is seen as a dangerously narrow concept
Cost analysis-objective	Three objectives all apply, without regard to the strategic context: Score keeping, attention directing, and problem solving.	Although the three objectives are always present, the design of cost management system changes dramatically depending on the basic strategic positioning of the firm: either under a cost leadership strategy, or under a product differentiation strategy.
Cost driver concept	A single fundamental cost driver pervades literature - cost is a function of volume. Applied too often only at the overall firm level.	Multiple cost drivers such as: Structural drivers (e.g. scale, scope, experience, technology, complexity) Executional drivers (e.g. participative management, total quality management) Each value activity has a set of unique cost drivers
Cost containment philosophy	Cost reduction approached via responsibility centers or product cost issues	Cost containment is a function of the cost driver(s) regulating each value activity

Primary concern	Cost impact	Cost/Value/Revenue relationship
Key disciplines	Finance/Accounting	Marketing/Economies
Primary role	Scorekeeper	Analyst and consultant
Management responsibility	Follower/reactive Risk-averse	Leader/proactive Comfortable with ambiguity

Source: John K.Shank, Vijay Govindarajan, Strategic Cost Management: The New Tool for Competitive Advantage, the Free Press, New York, USA, 1993, P217.

From this table we conclude that strategic cost management interact with external environment and it responds to customer needs, comparing to traditional cost management that is restricted to organization's boundaries, we can also say that traditional cost management has focused on the notion of value added, which is considered to be a quite misleading according to strategic cost management that focuses on value chain analysis, that provides the necessary information to understand costs in relation to value.

2.2 Strategic cost management components:

Strategic cost management has been developed due to the shortcomings of traditional cost management systems in facing current business environments, and it has developed through the combination of the three main components: ⁶

2.2.1 Value chain concept: is to detail the various stages of the product corresponding to a field of activity, from raw materials to after-sales service. Each economic function that adds utility products or service an organization is essential for this as it will allow to satisfy customers and keep them satisfied long, thus, the concept of value refers to enhance the usefulness of a product or service and therefore its value for the customer. Knowing the value it brings consumer activity, and seeks to ensure the same amount with lower resources, thus better productivity achieved through better coordination of chain elements.

2.2.2 Strategic positioning concept: the concept of strategic positioning is about finding the answer to the question: what role cost management plays in an organization? In the strategic cost management, the role of cost analysis differs depending on the method chosen by the company in the competitive struggle, namely:

- on the one hand, a company can compete with low costs. These strategies are based on the postulate that the most competitive company has the lowest costs, in other words, minimizing company costs are based on its competitive advantages (attract customers by low prices)
- on the other hand, a company can compete by offering superior products(differentiation). As a result, the company seeking differentiation strategy will strive to achieve optimal performance.

2.2.3 Analyzing the sources of cost concept: The third component of the strategic cost management is analysis the sources of cost, because the sources of cost and output not best explain the behavior of costs. As a result, Porter and Riley tried to establish a complete list of sources of cost, and within it a group of cost sources into two categories, namely:

- structural sources;
- sources of performance

The first category, structural sources, refers to the economic structure of the company and depends on: the scale, range of coverage, experience, technology, and production complexity. Every firm structural factor involved in the elections that will determine increases or reductions in product cost, as follows:

- Scale, which sets how much should be investing in production, design and marketing;
- Range of coverage, the degree of vertical integration, horizontal integration link as more then scale
- Experience which considers the number of times in the past has made the company what is wants to achieve at present.
- Technology, that are considered technological processes used in each step of the value chain of the company.
- Complexity, which refers to how wide is the range of products or services offered to customers.

The second cost source is formed by sources of performance, which refers to the ability to perform well operations. Unlike structural sources for each source of performance, "more" is always "better".

Main sources of performance include:

- Workforce: labor force participation in continuous improvement activities.
- Total quality management :hopes and achievements in the quality of products and processes.
- Capacity utilization: depending on the scale chosen to build production capacity.
- Spatial organization of plant efficiency: How effective is?
- Configuration of design effectiveness.
- Exploiting linkages with suppliers and/or customers, as indicated by the value chain of the company.

3. Contribution of target costing system in managing and reducing cost:

Target costing system, is one of the main strategic cost management tools, which aims at reducing the total final costs of product or services through the product life cycle, therefore the process of reducing cost is paramount in increasing profits in short term, in the light of sharp competition, But before implementing cost reduction system one, should address a series of questions to see how the change will impact the organization. These questions are:⁷

- Will customer service level decline? This issue is listed first because it is important for revenues, customer satisfaction, and customer turnover, a negative response from management should not yield an automatic rejection of proposed cost reduction, however. Instead additional consideration should be given to the extent of the resulting service level decline and how much that decline will matter to customer.
- Will it impact the lifetime value of customer? In other word, will the cost reduction either increase customer turnover or reduce the profit from their purchaser? If so, then the cost reduction needs to be so massive that is clearly offsets the projected customer losses. In most cases, a yes answer will provide sufficient grounds to cancel a posed cost reduction.
- Will it impact core functions? This question is critical. A company should pare cost from a key company function only if the expenses are clearly extraneous. If anything, company resources should be following into these areas.

- Will it impact product quality? A yes answer does not automatically cancel the related cost reduction. One must determine if the current quality level matches customer expectations or if the design robustness is actually greater than needed.
 - Will employee skills be affected? This question is targeted at reductions in training expenditures. The analysis should include a review of exactly which skills will be impacted and how critical they are to the company's long term success.
 - Will there be a related exit cost? There may be a variety of expenses that must be recognized as a result of a cost reduction, such as severance pay, writing off assets, or paying a termination fee to a business partner.
 - These costs should have been included in the initial cost reduction analysis already, but the question is listed here to ensure that it is addressed.
- Some variation on these questions can be included in a standard company checklist of it items to be discussed before management approves a cost reduction.

3.1 The origin of target costing

A retrograde approach for determining product costs, which is one of the most important features of target costing, can be found as early as the beginning of the last century at Ford in the United States and in the development of the Volkswagen Beetle in Germany in the 1930s. At Volkswagen, in order to meet the price goal of DM 990, alternative technical solutions were weighed on the basis of cost considerations. Yet a full-fledged target costing approach began during the period of scarce resources after World War II. During this time, Americans created a concept of maximizing desirable product attributes while at the same time minimizing product costs. The technique became known as -value engineering- and was subsequently adopted by Japanese companies in order to withstand stiff competition within Japan. In the 1960s, value engineering was combined with the idea of influencing and reducing product costs as early as possible during the planning and development stages of a product. The first use of value engineering in Japan-known as -genka kikaku-occurred at Toyota in 1963, though it wasn't mentioned in Japanese literature until 1978. Later -genka kikaku- was translated into "target costing," the term now used throughout the world. Rösler (1996) did etymological research to clarify the derivation of the term -target costing- from Japanese language. Even though Kato (1993) criticizes the use of "target costing" as a translation of -genka kikaku-, the term has been generally accepted in the Western world. At the annual meeting of the Japan Cost Society in 1995, the official name was made -target cost management- on the grounds that -target costing- was too vague and did not convey the true meaning of -genka kikaku-⁸

3.2 Definition of target costing:

Target costing system, is one of the main strategic cost management tools, which aims at reducing the total final costs of product or services through the product life cycle, therefore the process of reducing cost is paramount in increasing profits in short term, in the light of sharp competition, this concept "grew out of a need for manufacturers to improve product cost management and product development. The traditional cost management, cost accumulation and allocation methods used for decades and still predominant in the manufacturing and services sectors have failed as tools for product development, planning, and cost management. This is because they focus on the product's cost rather than on the expectations of customers and the product design itself. Furthermore, traditional cost systems inundate

managers with accounting reports that routinely overstate the cost of high-volume, standardized products and understate the costs of low-volume, customized products,⁹

Therefore, target costing process “is a system of profit planning and cost management that is price led, customer focused, design centered, and cross functional. Target costing initiates cost management at the earliest stages of product development and apply it throughout the product life cycle by actively involving the entire value chain.”¹⁰ In order to implement a costing system, “a company sets a target cost through comparison of competitive products. They gather data on the market price and subtract their desired profit margin. This desired profit margin will almost always greater than the cost of capital but is influenced by macro environmental forces as well as shareholder goals. When the product being developed does not meet the target cost and profit, often it is not commercialized. While it may be important as a tool to those competing on delivery speed, quality, product flexibility, or delivery reliability, the target costing technique is more useful to those manufacturers who mass produce a make-to-stock item in a competitive market in which customers are most sensitive to price and cost levels”¹¹

3.3 Comparison of target costing and cost-plus approaches:

Traditional cost-plus approach is based on developing product first and then determining and measuring overall cost of and then deciding on a marginal profit that can be beneficial for the organization, whereas target costing approach is about determine price of the product to be sold over product life cycle process, the following table explain the main differences between cost-plus and target costing approach

Table 02: Comparison of target costing and cost-plus approaches

Cost-plus	Target costing
Market considerations not part of cost planning	Competitive market considerations derive cost planning.
Cost determines price	Price determines cost.
Waste and inefficiency is the focus of cost reduction	Design is a key to cost reduction.
Cost reduction is not customer driven	Customer input guides cost production
Cost accountants are responsible for cost reduction.	Cross-functional teams manage costs.
Suppliers are involved after product is designed	Suppliers are involved early.
Minimizes initial price paid by customer	Minimizes cost ownership to customer
Little or no involvement of value chain in cost planning.	Involves the value chain in cost planning.

Source: Shahid L Anasri, Jan E Bell, and the CAM-I Target cost group, Target costing the next frontier in strategic cost management, Irwin professional publishing, USA,1997, p.17.

From the above table we conclude that target costing system is characterized by the following features:¹²

3.3.1 Market focus:

Target cost requires a strong focus on the marketplace. Therefore understanding how many customers will pay a given amount for a given level of function provides companies a basis for projecting volume, and thus revenues and profit. This information is so vital that target costing generally employs formal mechanisms for purposes of gathering and documenting customers' needs and priorities.

3.3.2 Capturing customers wants:

Tools such as quality function deployment, surveys, focus groups, and complaint tracking can be used throughout a product's life cycle: from exploration of concept to customer use and disposal of a product. These tools help companies elicit and document the needs and priorities of their customers. Both product teams and managers use this information to make and reevaluate decisions about products or services.

3.3.3 Understanding customers choices:

Revenues are often a function of understanding customers current and future options, including who from the customer's perspective the competition will be, In other words, who will provide the capability that customers seek?

3.3.4 Addressing dynamic markets:

Because markets are dynamic, companies must continually seek new information. Collecting accurate market information up front often helps companies avoid costly redesign effort, but If the market changes while a product is being developed. It usually makes sense to redesign a new product rather than risk introducing a product that customers do not want.

3.3.5 Balancing customer and company needs:

Customers almost invariably prefer better function at a lower price. But consider the loss customers realize when a company goes out of business, for loyal customers, the short-term benefits of identity new carriers and form new relationships.

To serve markets effectively over the long terms, companies must explore opportunities that align with their own internal business strategies, Managers must define and communicate and approach to product development that exploits their organizations core competencies so that they can satisfy customer needs and establish long-term relationships with customers, doing so produces a win-win situation: customers get the product they want at a reasonable price, and the company earns a profit while further developing its core resources.

3.3.6 Influencing the design early:

A company's best opportunity for considering alternative designs occurs during the product conceptual design stage that is, before all end-product and interfacing components are completely defined

3.3.7 Exploring alternatives:

To identify options companies need the humility to consider what other doing (whether other product teams, suppliers, customers, competitors, academics, or even other industries). This humility translates into a quest for innovation in recognition that a company's own practices can often be improved; the corporate culture must value exploring new ideas.

3.3.8 Investing strategically:

Companies have to understand the strategic value of investment, thus they have to make sure if they are going to make a significant investment that they really need it and their people will really use it. Executive management must carefully review potential investments against long-term business direction to ensure their strategic benefit.

3.3.9 Cross-functional involvement:

As an organization considers design alternatives, it must evaluate them for their implications not only for the final product but also for all the processes involved in making the final product. People with a broad range of functional perspectives must evaluate the options concurrently to ensure that benefits in one area do not cause problems elsewhere.

3.3.10 Value chain involvement:

All members of the value chain, such as suppliers, dealers, distributors, and service providers, are involved in the target costing process, developing a co-operative relationship with all members of the extended enterprise maximizes cost reduction effort throughout the value chain, long-term and mutually beneficial relationships with suppliers and other members of the value chain form the basis of a target costing system.¹³

3.3.11 Life cycle orientation:

Goal costing considers all the charges of owning a product over its entire life and from a customer's viewpoint; life cycle focuses on reducing the charges of operating, utilizing, repairing and disposing of the merchandise and from the producers viewpoint; it focuses on minimizing the charges of development, output, marketing, distribution; support, services and disposition costs.¹⁴

4. Target costing process:

The process of target costing includes a set of activities that should be followed properly in order to achieve a sound target costing system, that responds to the organization quest in reducing cost, even

though there is no consensus about a specific steps in implementing target costing system but all the effort of determining these steps hovers around the following points:

4.1. Identifying the product and its characteristics:

Target costing process begins with identifying the product and its characteristics and attributes and the optimal selling price, this is probably the most important step in the process, the product it self will ultimately determine the costs required to produce and sell that product, this step includes definition of the target segments, identification of the competitive advantages and disadvantages, positioning the new product within the positioning of the new product within the target segments, fine-tuning the product design and competitive price, and market simulations. Addition the market research is an essential element of this first step. Whether done inside or outside the firm the focus should be on market research in order to achieve the desires and concerns of customers. What the customer wants? What design features the customer does not like or dislike, and the need or not need not. Customer perceptions regarding quality, price and value, are also important. Marketing research is used to determine the price customers are willing to pay for the product, due to its effectiveness, quality, and alternative products offered by competitors. Lockamy and Smith describe the information obtained from the customer will allow product designers to focus on those desired qualities and features. However, the product must be forward-looking and incorporate new features and salient product characteristics to assure product differentiation and a reasonable product life. Cooper argues the competitive price is determined based on the market place for the product as designed. Obviously, when a manufacturer sells its products in more than one market or through different channels, it may sell the same product at different prices. In such case an average selling price should be used.¹⁵

4.2. Establish a target profit for the product:

Marketing plays a crucial role in the determination of the target cost. In this step selling price is estimated for the product determined by market analysis. Sales volume is also estimated and, from the total estimated sales revenue, the desired profit is subtracted. Management determines this desired profit margin in reference to the company's long term strategy. Retail price and sales volume are proposed by the marketing function based on its research and the company's desired market share. Total sales revenue for each new product over its life can now be estimated. The target profit, usually determined by using return on sales, is subtracted from the total sales revenue.¹⁶

4.3. Determine the target cost:

Target cost, also known as the allowable manufacturing cost, is calculated by subtracting the profit required from the target Price. $Target\ Cost = Target\ Price - Desired\ Profit$.¹⁷

4.4. Determine the cost estimate

Functional analysis requires information concerning engineering specifications and accounting data. The actual manufacturing cost and the target cost for each product's functions are compared. Alternatives are identified to bring each function's actual cost estimate to its target cost. Management accountants provide information on the cost effects of the proposed functional modifications. When needed, they prepare very detailed sets of cost tables that include the costs of alternative materials, of using different types of manufacturing technologies, and so on¹⁸.

4.5. Process Improvements:

If the designed product yields the required profit, the new product can be manufactured. If the new product does not yield the required profit, the new product needs to be re-designed or the process of manufacturing should be improved to yield the required profit. Some tools like value engineering can be used to associate costs to components or functions in order to determine their cost efficiency. The components or functions that are cost inefficient should be redesigned to reduce costs. If the products are found not to meet the financial profit requirements, they should be abandoned.¹⁹

4.6. Make the final decision

Once the cost estimates are on target, management makes the final decision to introduce the product based on manufacturing feasibility, market needs and consumer acceptability. If the decision is to go ahead with the product, manufacturing is instructed to proceed with production. Once the decision has been made to manufacture the

new product, however, there are other considerations necessary for successful implementation of the process. Since the target cost is often below the actual cost based on the current production technology (i.e. the standard cost), a team effort is required to enable the organization to achieve the target cost.

Teams of people from marketing, engineering, purchasing, manufacturing, and accounting work together to assure that a cost position on the product is such that the company can sell the product at its required market price and make money doing it. Value engineering requires access to many kinds of information found in various departments, so cooperation must be promoted. Finally, target costing does not end once the decision has been made to move the product into the production stage. The standard manufacturing cost of the product depends on specific production line conditions. For example, production on lines below capacity pushes costs up, while production on lines near full capacity leads to the best cost performance. Often during the planning stage, it is difficult to visualize the line conditions and thus reflect accurately these conditions in cost estimates. Therefore, once the initial target cost has been calculated, the manufacturing division then initiates an effort to improve on the standard cost, in order to get it down to the target cost.²⁰

For more clear, target costing has been recognized as an important approach for lowering costs and increasing competitiveness. The target costing process is identified by its famous formula as follows:

$$\text{Target cost} = \text{Competitive Price} - \text{Desired profit margin}^{21}$$

Conclusion:

From this paper research we conclude that target costing approach is efficient strategic cost management tool, which can be adopted by organization in its quest to achieving competitive advantages over rivals in the marketplace, it is becoming increasingly essential to apply these new philosophies if the company want to survive and flourish in today's business environment which is characterized by greater focus on the customer, fierce competition, and greater use of information technology.

Target costing approach provides a comprehensive framework for organization to manage and reduce their cost strategically, and the implementation of such system requires a proper planning and commitment off all departments and employees throughout the organization in order to exploit available resources in a rational way, reducing cost and meeting customers' needs and wants effectively.

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¹⁷ Mahdi Naqdi Bahar, Conceptual framework for launching and implementing target costing in automotive industry, International Journal of Research in IT and Management, Volume 2, Issue 6, June 2012, Electronic copy available at: http://www.euroasiapub.org/IJRIM_Volume2_Issue6.html, P, 25.

¹⁸ Mahmud Hematfâr, Alireza Santi, Saeid nooryan, op-cit, P, 7.

¹⁹ Mahdi Naqdi Bahar, op-cit, P, 25.

²⁰ Mahmud Hematfâr, Alireza Santi, Saeid nooryan, op-cit, P, 8.

²¹ R. A. Sabir, X. Xinping, S.A. Sabr, op-cit, P, 633.