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# **The Effect of Open Book Accounting on Companies' Financial Performance: Case Study**

A Research Paper Submitted in Partial Fulfillment of the Requirements for  
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## **Abstract**

Because of the increasing competition in business nowadays, companies outsource some of its' tasks to suppliers and these collaborative relationships expose these companies to risks, which is known as alliance risk, so that companies adopt certain controls to manage its' collaborative performance with suppliers and try to make these controls as much effective as they can mitigate inherent risks of the relationship with suppliers and make the company able to achieve its objectives of outsourcing, which in turn may increase companies' financial performance. The research aims at testing The Effect of open book accounting on manufacturer 's Financial Performance. Also, this research reviews the literature that test the relationship. I suppose that There is a significant effect for open book accounting on manufacturer 's Financial Performance. A quantitative case study in (A) fertilizers company in Egypt has been made to test the validity of the hypotheses and questionnaires has been used to collect the responses of the participants from the purchasing department of the company. Results showed that there is a significant effect of open book accounting on the company's Financial Performance as this practice is activated in the company through using the private information exchanged in decision making process. I recommend that suppliers be considered as partners of success and a cornerstone of creating sustainable competitive advantage.

**Key Words:** open book accounting, financial performance