European Journal of Education Studies
ISSN: 2501 - 1111
ISSN-L: 2501 - 1111
Available online at: www.oapub.org/edu

DOI: 10.46827/ejes.v10i4.4777

Volume 10 | Issue 4 | 2023

EXTENT OF UTILIZATION OF ACCOUNTING INFORMATION FOR MANAGEMENT DECISION MAKING BY SMALL SCALE BUSINESS OPERATORS

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Abstract:
The study determined the extent of utilization of accounting information for management decisions making by small scale business operators. Two research questions and two null hypotheses (tested at 0.05 level of significance) guided the study. A descriptive survey research design was adopted using a population of 1,932 small scale business owners. Taro Yamani formula was utilized to determine the sample size of 332. A structured questionnaire was developed by the researcher for data collection. The instrument was duly validated. Cronbach Alpha was used to determine the 0.88 reliability coefficient of the instrument. Data collected were analyzed using mean and standard deviation for the research questions while ANOVA and t-test were used to test the null hypotheses one and two respectively, at a .05 level of significance. The results showed that financial statements and accounting ratios were moderately utilized by the small scale business operators. The results also showed that years of experience and gender had no significant influences on the mean responses of the respondents. The educational implications of the findings include the need for curriculum adjustments in both secondary and tertiary institutions for the improvement of accounting education in Nigerian and placing emphasis on the importance of accounting information for management decision-making in small scale businesses. Based on the above findings, it was recommended, among others, that there should be prompt production of the financial statements, ratio analysis and the summary of assets and liabilities, revenue and expenditures for the enterprise for the period under review to enable the small scale business owners to make valid and effective business management decisions.

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Keywords: utilization, accounting information, management decision, small scale businesses

1. Introduction

Small scale businesses are seen as the backbone of any economy and a key source of economic growth, dynamism and flexibility. Small scale businesses are indispensable in all countries and the motivating force of the business, development, innovation, competitiveness and employers of labor. Since the rise in their popularity, small scale businesses have consistently grown and generated interest from a wide range of stakeholders including governments, researchers, donors and non-governmental organizations because of their roles in tackling employment challenges, stimulating innovations and advancement and achieving sustainable Development (World Bank, 2020). As a result, both the developed and the developing countries are actively engaged in and continue to seek pragmatic ways of improving the activities of small scale businesses. Small firms make up 90 to 95 percent of all enterprises globally and provide more than 70 percent of all goods and services, according to Ahmeti and Marmullaku (2015). Small enterprises are essential to regional development in addition to being important to the economies of developing nations. Small businesses are those with assets under N50 million (excluding the cost of land but including working capital), and no more than 100 employees, according to the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) (Unam & Unam, 2013).

In Nigeria, capital investment (fixed assets), annual turnover, staff count, and gross output are the main factors used to define small enterprises. In this context, the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN, 2011) defined small scale enterprises as companies with assets between five and fifty million Naira and a minimum of 10 to a maximum of forty nine employees (excluding land and buildings). Small-scale enterprises are corporations founded by a single person or group of people, known as business operators, with the primary objective of offering goods and services. The size or scope of the business operators' control determines whether they are classified as small or medium firms. Additionally, small-scale firms engage in a variety of activities, including manufacturing, educational institutions, commercial services, tourism, and leisure as well as construction, agro allied, information technology, and tourism. Small scale enterprises include sole proprietorships, partnerships, some of which may be registered as limited liability companies, labor-intensive operations, rudimentary technology, the integration of ownership and management, and restricted access to finance (Olufemi, 2018).

In Abakaliki, the capital of Ebonyi State, where a sizable portion of the population is made up of entrepreneur or small business owners, small scale enterprises are prevalent. The State's economy has grown, thanks to the existence of small businesses, which has also improved the State's tax base. Some of these businesses are run by managers who work for the company owners. This type of organization has the benefit of having an owner or management that is frequently active in day-to-day operations and in a position to personally protect the company's assets. Okolo (2014) defined business owners as those with the capacity to see and assess business opportunities, gather the resources required to capitalize on them, and take the necessary steps to ensure success. To oversee the operation of their companies, business owners hire and contract managers. A manager is someone who organizes, supervises, and controls the human, financial, and information resources of business operations. A manager is also someone who makes plans and choices. Gorgievski, Ascalon, and Stephan (2011) defined a manager as an individual working in an administrative capacity that possesses the in-depth knowledge required for managing an organization and leading people to achieve the best possible completion of predetermined tasks under constrained circumstances. Therefore, the manager of a small business is the one who is hired by the venture's owner to oversee the management of the company, including the management of the company's material and human resources.

Although small enterprises in Nigeria contribute positively to economic growth and development, failure rates are substantial (Okolo, 2014). Ninety percent of all these business failures, according to West and Wood (2012), are attributable to a lack of accounting experience and knowledge. Additionally, West and Wood noted that most small enterprises suffer from a general lack of efficiency in business management, which frequently results in money being misappropriated and incorrect decisions being made. The lack of utilization of accounting information, inadequate financial management, and insufficient capital is further potential contributing factors. Both the Federal and State Governments made the decision to assist small business owners in resolving these issues by giving those loans with extremely cheap interest rates and providing management with consulting services on multiple occasions. Despite these efforts, the majority of small scale businesses in Nigeria continue to fail, typically as a result of management choices being made without sufficient accounting information (Olufemi, 2018). Olaoya (2020) argued that some small-scale enterprises could not boast of using acceptable accounting standards that are capable of delivering information on the activities and decision-making processes of the enterprise in light of this. One will struggle to supply appropriate accounting information to improve administrative and managerial choices that will support the survival of small size enterprises in Nigeria without the proper accounting understanding.

The basic purpose of accounting is to keep an organized, accurate, and comprehensive record of all financial transactions that take place within a company. Accounting is crucial for small business owners since it aids in evaluating the financial success of the company by the owners, managers, investors, and other stakeholders. Businesses participate in a wide range of activities, and each activity calls for a certain set of decisions. There are various types of information needed for each decision. Decisions regarding how to operate the business, make investments in it, or extend credit to it are then made using this information. Through accounting transactions, this data is accumulated in accounting records.

Accounting information results from business transactions and is used as a tool for documenting, analyzing, monitoring, and evaluating a company's financial condition, preparing documents required for tax purposes, and supporting numerous other organizational functions with information (Chapman, 2018). After being discovered, the data is categorized, recorded, and finally included in a number of reports. Khoufi (2021) claims that one of the key goals of accounting information is to give data that can aid in the effective distribution of capital. Financial statements and other reports provided by the accountant that reflect the honest and fair financial situation of the business's economic operations are known as accounting information. The balance sheet, profit and loss accounts, and cash flow statements are all examples of accounting information. As a result, changes in the business organization's financial condition can be identified, and this knowledge will assist the business organization in making a variety of decisions. In the context of this study, accounting information refers to reports regarding the economic activities of an organization or unit to users which serves as a base for planning and decision-making. Various accounts and reports are prepared using the knowledge of accounting, through which the financial condition of the organization is known. A variety of decision-making processes require accounting data, and owners can use it to create rules that will improve the effectiveness of business operations. The price to be charged for goods and services, the resources required producing these goods and services, funding, and business prospects are some examples of decisions based on accounting information. Because they are accountable for ensuring that various financial statements are generated and disseminated for transparency and operational efficiency, small business owners who use accounting information must be knowledgeable about business transactions.

Utilizing fundamental accounting data and taking a broad picture of accounting processes will assist business owners in assessing their financial performance and making decisions. Decision-making impacts the degree of achievement and has a beneficial impact on firm performance (Ardakani and Avorgani, 2021). Decision-making is an essential part of modern management. Decision-making is thus a key part of a manager's activities. In organizations, managers are responsible for making decisions and solving problems. Good decision-making is a vital part of good management, because decisions determine how the organization solves its problems, allocates resources, and accomplishes its goals. Small business owners utilize accounting data to assess and analyze their financial performance and position, make critical choices, and take the necessary actions to enhance their company's profitability, liquidity, financial position, and cash flow. According to Vitez (2019), financial statements and accounting ratios are frequently used to measure the performance of various business operations.

Financial statements are created using accounting data. Financial statements give information about the state of a company at a particular point in time. A financial statement is a formal record of a company's financial activity that includes a balance sheet, an income statement, and a statement of cash flows, according to the International Financial Reporting Standard (IFRS, 2018). The company's ability to cover its long- and short-term debts, earnings or losses, and ability to meet its monthly cash demands are all shown in the financial statements. Financial statements are the records of a company's finances that display its operations and financial performance (Maverick, 2021). Financial statements have the ability to forecast an organization's potential future success. These are useful in predicting how any business's future working conditions will be. To accurately and consistently reflect the financial performance of financial statements, accounting information is required.

According to Akhtar and Liu (2018), financial statement preparations in a company are usually done by internal accountants, who are directly influenced by the management of the company. Companies make certain decisions based on information from financial statements. Thus, a fraudulent or erroneous financial statement implies a risk possibility which can cause wrong investment decisions making in an organization. In this view, therefore, sustained success will depend on how good decisions are made based on the proper analysis of financial statements. Preparing and understanding one's company's financial statements is an important part of being a small business owner. The balance sheet is particularly helpful in that it keeps both owners and one's stakeholders informed of one's financial standing. Keeping this financial information updated can help owner/manager make better management decisions. In addition, it may improve one's small business's efficiency, borrowing habits, and overall financial health.

The evaluation of a company's liquidity, solvency, and level of debt is done using accounting ratios. Accounting ratios are a group of metrics used to measure the efficiency and profitability of a company based on its financial reports. Accounting ratio is the comparison of two or more financial data which are used for analyzing the financial statements of companies. It is an effective tool used by shareholders, creditors and all kinds of stakeholders to understand the profitability, strength and financial status of companies (Hayes, 2021). Accounting ratios analysis helps in the identification of the strengths and weaknesses of a business. Basic accounting ratios can help business owners analyze their financial statements and compare them to those of a top competitor or the industry norm (Accounting Tools, 2022). These ratios frequently show how well a firm earns profit through sales, the utilization of debt to finance corporate assets, the potential for long-term cash flow from present activities, and the capacity of small enterprises to collect past-due customer debt.

Accounting ratios are essential for evaluating the profitability, efficiency, and asset management, level of debt and liquidity of small enterprises. These accounting ratios are frequently employed for anticipating the future and for making significant and well-informed judgments. Accounting ratios examine particular financial line items in the financial statements of an organization to offer perceptions of how effectively the organization is performing. The effectiveness of a company's basic financial performance is assessed by its operating profit margin. The money received from a company's main lines of activity is known as operating income and it sheds light on how effectively management is managing a company (Maverick, 2021). Efficiency ratios demonstrate how well businesses manage their internal assets and liabilities. They evaluate a company's short-term performance and determine whether it can make money from its assets. Efficiency ratios measure how well a business uses its resources to drive sales and increase profits. It is crucial to keep in mind that investors frequently interpret the findings of financial measures in a variety of ways. Financial ratio analysis offers information about a company, but it should be utilized in conjunction with other indicators and assessed against the larger economic context.

However, certain factors, such as the managers of small enterprises' years of experience and gender, may affect how much they use accounting information when making management decisions. In this study, "years of experience" refers to the amount of expertise attained over months or years of actual practice, which is presumed to have led to superior comprehension, performance, or mastery. According to Sandra in Mgbe (2019), experience is the act or fact of directly witnessing, coming into contact with, or going through anything. It's probable that successful small firms are run by seasoned executives who directly monitor their businesses' daily operations. It is estimated that management insufficiency, which includes either management incompetence or inexperience, accounts for ninety percent (90%) of corporate failures (Mugo cited in Udemba, 2020). Mugo also noted that many managers or owners of small businesses lacked managerial expertise. The information and abilities that one acquires via doing something for a while are referred to as experience. It is the most accurate indicator of company success, particularly when the new venture is connected to prior commercial ventures. Managers with extensive business management experience are better able to create new businesses than employees with various career paths.

Gender is another variable that could easily influence managers of small scale businesses in decision-making which could in turn influence organizational performance. Gender in this study refers to the sex of an individual employee either male or female. Gender in effect is determined by the conception of tasks, functions and roles attributed to women and men in society and in public and private life. This is supported by Eni cited in Mgbe (2019) who reported that the gender effect could be a factor in determining the extent of utilization of accounting information for decision-making by managers of small scale businesses.

2. Statement of the Problem

Small scale businesses play an important role in both developed and developing countries. They contribute to the growth of the economy in many ways such as employment generation, new venture development and opening up new avenues for economic growth. Many small scale businesses die shortly after their establishment and the performance of the surviving few is far below expectations. In spite of the importance of small scale businesses in developing economies like Nigeria, a lot of small scale business owners and managers may not have given much attention to the utilization of accounting information for management decision-making. In light of the foregoing, this study sought to ascertain the extent to which small-scale business operators in Abakaliki metropolis use accounting information for management decision-making.

2.1 Purpose of the Study

The main purpose of this study is to determine the extent of utilization of accounting information for management decisions making by small scale business operators. Specifically, the study sought to determine the extent of utilization of:

1) Financial statements for management decisions making by small scale businesses.
2) Accounting ratios for management decisions making by small scale businesses.

2.2 Research Questions

The following research questions were raised to guide the study:

1) What is the extent of utilization of financial statements for management decisions making by small scale businesses?
2) What is the extent of utilization of accounting ratios for management decisions making by small scale businesses?

2.3 Hypotheses

The following null hypotheses, tested at 0.05 level of significance, guided the study:

1) There is no significant difference in the mean ratings of small scale business operators on the extent of utilization of financial statements for management decisions making in small scale businesses based on years of management experience.
2) There is no significant difference in the mean rating of small scale business operators on the extent of utilization of accounting ratios for management decisions making in small scale businesses based on gender.

3. Methodology

A descriptive survey research design was used. The area of the study was Abakaliki metropolis of Ebonyi State, Nigeria. The population of the study comprised 1,932 small scale business owners duly registered with the Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) within Abakaliki in 2022. The sample size of 332 operators of small scale businesses was used for the study. The researcher used Yaro Yamane formula to determine the sample size. The instrument for data collection is a structured questionnaire developed by the researchers. The questionnaire was dully validated. It has a reliability coefficient of 0.88 determined using Cranach alphas. Mean and standard deviation was used in finding answers to the research questions, while the two hypotheses were tested using t-test and ANOVA at 0.05 level of significance respectively.

4. Results

Research Question 1: What is the extent of utilization of financial statements for management decisions making by small scale business operators?

The data collected to answer the research question is shown in Table 1.

Table 1: Mean ratings of small scale business owners on the extent of utilization of financial statements for management decision making in small scale businesses (N = 297)

S/No	Financial Statements	Mean	SD	Decision
1.	Balance sheet at the end of the financial period	2.97	0.69	ME
2.	Income statement	2.81	0.66	ME
3.	Statement of changes in assets and liabilities	3.09	0.72	ME
4.	Cash flows from operating activities	3.03	0.54	ME
5.	Cash flows from investment activities	3.13	0.71	ME
6.	Cash flows from financial activities	2.97	0.74	ME
7.	Statement of working capital	2.94	0.68	ME
8.	Cost of goods sold table	2.98	0.75	ME
9.	Statement of capital employed	2.94	0.71	ME
10.	Statement of retained earnings	2.87	0.72	ME
11.	Net profit and loss reported	2.85	0.66	ME
	Grand Mean	**2.96**		**ME**

Note: ME= Moderate Extent

Table 1 shows that the mean score on all 11 items on financial statements range between 2.81 and 3.13 which indicate that they utilized financial statements to a moderate extent. The cluster had a grand mean score of 2.96 which confirms the results. The standard deviations for all items are within the same range showing that there is homogeneity amongst responses indicating a greater consensus of opinion.

Research Question 2: What is the extent of utilization of accounting ratios for management decisions making by small scale business operators?

The data collected to answer the research question is presented on Table 2.

Table 2: Mean ratings of small scale business owners on the extent of utilization of accounting ratios for management decision-making in small scale businesses (N = 297)

S/No	Accounting Ratio	Mean	SD	Decision
12.	Gross profit margin	2.49	.53	LE
13.	Net profit margin	3.22	.55	ME
14.	Return on assets	3.34	.62	ME
15.	Return on capital employed	3.31	.58	ME
16.	Current ratio	3.29	.68	ME
17.	Quick ratio	3.17	.63	ME
18.	Working capital ratio	3.11	.59	ME
19.	Debt ratio	2.94	.60	ME
20.	Inventory turnover ratio	2.90	.64	ME
21.	Valuation ratio	2.89	.58	ME

22.	Dividend cover ratio	2.76	.62	ME
	Grand Mean	**3.04**		**ME**

Note: LE= Low Extent, ME=Moderate Extent

As displayed in Table 2, the cluster mean of 3.04 shows that accounting ratios are utilized to a moderate extent by small scale business owners. The item-by-item analysis shows that items 13 to 22 with mean scores ranging from 2.76 to 3.34 are utilized to a moderate extent while item 12 with a mean score of 2.49 is utilized to a low extent. The standard deviations of 0.53 to 0.68 are within the same range, showing homogeneity in responses.

Hypothesis 1: There is no significant difference in the mean ratings of small scale business owners on the extent of utilization of financial statements for management decisions making in small scale businesses based on years of management experience.

Data collected to test the above hypothesis is presented in Table 3.

Table 3: Summary of ANOVA on the extent of utilization of financial statements for management decisions making based on years of management experience

S/No	Source of Variance	Sum of Squares	df	Mean Square	F	Sig.	Decision
1.	Between Groups	2.109	2	1.054	2.236	.109	Accept
	Within Groups	138.619	294	.471			
	Total	**140.727**	**296**				
2.	Between Groups	1.996	2	.998	2.278	.104	Accept
	Within Groups	128.818	294	.438			
	Total	**130.815**	**296**				
3.	Between Groups	.051	2	.026	.049	.952	Accept
	Within Groups	153.673	294	.523			
	Total	**153.724**	**296**				
4.	Between Groups	.404	2	.202	.681	.507	Accept
	Within Groups	87.259	294	.297			
	Total	**87.663**	**296**				
5.	Between Groups	2.128	2	1.064	2.107	.123	Accept
	Within Groups	148.485	294	.505			
	Total	**150.613**	**296**				
6.	Between Groups	1.394	2	.697	1.263	.284	Accept
	Within Groups	162.270	294	.552			
	Total	**163.663**	**296**				
7.	Between Groups	.848	2	.424	.922	.399	Accept
	Within Groups	135.179	294	.460			
	Total	**136.027**	**296**				

8.	Between Groups	.907	2	.453	.813	.445	Accept
	Within Groups	164.009	294	.558			
	Total	**164.916**	**296**				
9.	Between Groups	1.211	2	.605	1.196	.304	Accept
	Within Groups	148.816	294	.506			
	Total	**150.027**	**296**				
10.	Between Groups	.714	2	.357	.680	.507	Accept
	Within Groups	154.424	294	.525			
	Total	**155.138**	**296**				
11.	Between Groups	.069	2	.034	.077	.925	Accept
	Within Groups	130.113	294	.443			
	Total	**130.182**	**296**				

The data presented in Table 3 shows that at 294 degrees of freedom, the experience did not significantly influence the mean ratings of the respondents on the extent of their utilization of financial statements for management decisions making in small scale businesses. P-values .109, .104, .952, .507, .123, .284, .399, .445, .304, .507 and .925 which are greater than the stipulated 0.05 level of significance (P-value > alpha level). Therefore, the null hypothesis was not rejected.

Hypothesis 2: There is no significant difference in the mean ratings by small scale business owners on the extent of utilization of accounting ratios for management decisions making in small scale businesses based on gender.

Data collected to test the above hypothesis is presented in Table 4.

Table 4: t-test analyses on mean ratings of small scale business owners on the extent of utilization of accounting ratios for management decision making in small scale businesses based on gender

S/N	Variable	N	X	SD	DF	Sig	P-value	Decision
12.	Male	206	2.53	0.53	295	.448	0.05	Accept
	Female	91	2.41	0.54				
13.	Male	206	3.20	0.54	295	.209	0.05	Accept
	Female	91	3.25	0.57				
14.	Male	206	3.34	0.62	295	.860	0.05	Accept
	Female	91	3.35	0.62				
15.	Male	206	3.31	0.58	295	.468	0.05	Accept
	Female	91	3.30	0.57				
16.	Male	206	3.31	0.67	295	.815	0.05	Accept
	Female	91	3.25	0.71				

17.	Male	206	3.18	0.64	295	.266	0.05	Accept
	Female	91	3.14	0.61				
18.	Male	206	3.12	0.60	295	.314	0.05	Accept
	Female	91	3.10	0.56				
19.	Male	206	2.94	0.61	295	.893	0.05	Accept
	Female	91	2.95	0.60				
20.	Male	206	2.91	0.65	295	.832	0.05	Accept
	Female	91	2.87	0.62				
21.	Male	206	2.92	0.58	295	.234	0.05	Accept
	Female	91	2.81	0.58				
22.	Male	206	2.76	0.66	295	.005	0.05	Accept
	Female	91	2.78	0.53				
	P-value					**.486**	**0.05**	**Accept**

Data in Table 4 show that there is no significant difference in the mean ratings of small scale business operators on the extent of utilization of accounting ratios for management decision-making in small scale businesses based on gender. This is shown by the p-value of .486, which is greater than the significance level of 0.05. The null hypothesis of no significant difference between the two groups is, therefore, accepted.

5. Discussions

The results of the study indicate that financial statements are utilized to a moderate extent by small scale business operators for management decisions making in small scale businesses. This implies that the majority of small scale business operators in Abakaliki often lack strong business skills and have a relatively weak understanding of the process for creating and interpreting financial statements to support their decision-making. The findings is in consonance with Ojuye (2020) who found that nonchalant behaviour towards financial statement, use of obsolete data, and incompetence in management, negatively affect small scale enterprises. Most small scale businesses in Nigeria do not have accounting system and do not keep accounting records due to ignorance. In support of this, Ezeagba (2017) stated that the challenges facing small scale businesses in preparation and presentation of financial reports are: inadequate accounting books and records, manpower, accounting system and non-running their transactions through the banking system. Financial statements present the performance of the firm to stakeholders and bring about openness in the operations of small scale businesses.

Business cannot grow reasonably under a crude business practice as most businessmen and investors in our society are yet to understand the need for financial statements. Probably, this is one of the reasons why some small scale businesses are operating without even a book-keeper not to talk of an accountant. Decisions are taken based on intuition differences made only to their cash-box perhaps they feel that this is a way of safe wording their business secret. The quality of any decision-making is entirely dependent on the nature of the information made available. Timely and reliable financial information guides management in the formulation of appropriate policies in a given organization. In view of this, Abdulshakour (2020) opined that financial statements are a key tool to know the financial position of the company, so they must be accurate and reliable before being published by management. The lack of credibility in the financial statement leads to mistrust in the company by investors and does not give them the possibility to diagnose and make sound decisions. Sound bookkeeping leading to sound preparation of financial statements serves as leverage to small scale businesses in monitoring, analyzing their business for financial performance evaluation and accessing credits from financial institutions which translates into their growth ultimately.

The findings from the test of the first hypothesis indicated that experience do not significantly influence the mean ratings of the respondents on the extent of their utilization of financial statements for management decisions making in small scale businesses. It followed, therefore, that the null hypothesis of no significant difference was not rejected. This disagrees with the findings of Abubakar (2015) that accounting information is a tool for management decision making hence, the null hypothesis was rejected and the alternate hypothesis accepted.

The results of the study also revealed that accounting ratios are utilized to a moderate extent by small scale business owners in Abakaliki for management decisions making. This implies that some of the respondents made use of accounting ratios although those using accounting ratios were not found to be effective in their use. The gross profit margin was utilized to a low extent and gross margins were key essentials and determinants of whether the businesses realized profits or losses in their operations. Accounting ratios analysis helps in the identification of the strengths and weaknesses of a business. Based on the financial reports, it enables the business to measure its efficiency and profitability and provides a way of determining the relationship between one accounting variable to another on their financial statements. This finding is similar to the findings of Ongoro (2018) who found that profitability ratios, asset composition ratios, earnings quality ratios, management quality ratios and liquidity ratios were found to be significant in detecting fraudulent financial reporting. In support of this, Aniefor and Oboro (2015) stated that accounting ratios help to determine the liquidity position of an organization and provide an avenue for examining the operational efficiency of management in an organization. If small scale businesses in Abakaliki do not utilize this measure it may be difficult for them to determine the number of times their current assets (cash) may be able to cover short-term liabilities. Accounting ratios are necessary for the performance and survival of an organization which guide and lead the way for the users of financial statements. It also enables the management to know the financial strength and weaknesses in the system and also to be able to discover the root causes of the weakness and strengths inherent in the system.

Testing of the second hypothesis indicated that there is no significant difference in the mean ratings of small scale business owners on the extent of utilization of accounting ratios for management decisions making in small scale businesses based on gender. This disagrees with the findings of Aniefor and Oboro (2015) who reported a significant difference. It followed, therefore, that the null hypothesis of no significant difference was not rejected.

6. Conclusions

Accounting information is a necessary ingredient in maintaining systematic, accurate and complete records of all financial transactions of a business for informed decision-making and attainment of small scale business objectives, however, this study found out that some operators of small scale businesses in Abakaliki metropolis moderately utilized financial statements, accounting ratios, and budgets and audit reports were lowly utilized for management decisions making. For small business owners to obtain timely, current, and up-to-date information required for assessing business performance and excellence, accounting information must be used. Therefore, it was determined based on these results that small-business owners with accounting knowledge should use accounting data to improve managerial and administrative choices that will ensure the survival of small-businesses.

7. Recommendations

Based on the findings and conclusions drawn from the study, the following are recommended:

1) There should be prompt production of the financial statement at the end of each financial year and the summary of assets and liabilities and revenues and expenditures by the enterprise during the period to enable small scale business operators to make informed decisions.
2) Accounting ratios should be correctly utilized in small enterprises so that management can determine the system's strengths and weaknesses.
3) Accounting ratios should be used with careful examination and proper understanding of the meaning, implication and effect of the actual figures shown in financial statements, in order to avoid making wrong judgments, conclusions and decisions.
4) Organizations like the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) and the Chamber of Commerce should periodically conduct educational enlightenment programs to help investors and small business owners understand the significance of accounting information in their enterprises.

Conflict of Interest Statement

The authors declare no conflict of interests.

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