Lebanese French University

College of Administration & Economics

Department of Accounting & Finance

زانکۆی لوبنانی فەرەنسی

کۆلێژی کارگێری و ئابووری

بەشی ژمێریاری و دارایی

The Role of Management Accounting in the Development of Emerging Economies: Car Companies in Erbil as a case of the study

by:

Ahmed khaled rafik

Supervised by:

Asst. Lec. Hawkar Anwer Hamad

Lebanese French University

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هەرێمی كوردستان- عێراق
زانكۆي لوبنانی فەرەنسی
كولێژي كارطێري وئابوری
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Ahmed Khaled Rafik

Signature:
The Name: Hawkar Anwer Hamad
The Scientific Title: Assistant Lecture
Date:

We, the members of the evaluation and discussion committee, certify that we have reviewed this research entitled (The Role of Modern Accounting in The Economic Development of Emerging Economies)

And presented by student:

Ahmed Khaled Rafik

We Have Discussed with Student the Scientific Content of the Research and The Method of Preparing It, And That It Meets the Formal Requirements Contained in The Directives of the Department and Therefore We Recommend Accepting This Research.

Signature:

The Name: Hawkar Anwer Hamad

The Scientific Title: Assistant Lecture

Date:

ABSTRACT

The study aimed to introduce the foundation on an analysis of how management accounting influences business decisions at Erbil-based automobile. Seventy workers from five different automobiles will make up the research population. The research successfully classified a large fraction of the many functions of management accounting into just four major categories. Because of this, we were able to make more comprehensive and far-reaching generalizations. The results should also be interpreted with caution since the research was conducted with a single Automobile company in mind (one situated in Erbil, North Iraq).

Descriptive statistics were used to assess the data, and (Demographic Analysis). Statistical Package for the Social Sciences (SPSS) version 25 was used to analyze the data.

Keywords:- Total Quality Management, Competitive Advantage, Bank Organizations

مستخلص البحث

هدفت الدراسة إلى تقديم الأساس لتحليل كيفية تأثير المحاسبة الإدارية على قرارات العمل في شركات صناعة السيارات في أربيل. سبعون عاملاً من خمسة صانعي سيارات مختلفين سيشكلون مجتمع البحث. نجح البحث في تصنيف جزء كبير من العديد من وظائف المحاسبة الإدارية إلى أربع فئات رئيسية فقط. لهذا السبب ، تمكنا من تقديم تعميمات أكثر شمولاً وبعيدة المدى. يجب أي تفسير النتائج بحذر حيث

تم إجراء البحث مع وضع شركة سيارات واحدة في الاعتبار (واحدة تقع في أربيل ، شمال العراق).

تم استخدام الإحصاء الوصفي لتقييم البيانات ، و (التحليل الديموغرافي). تم استخدام الحزمة الإحصائية للعلوم الاجتماعية (SPSS) الإصدار 25 لتحليل البيانات.

پوختە

ئامانجی لێکۆڵینەوەکە دانانی بناغەیەکە لەسەر شیکردنەوەی چۆنیەتی کاریگەری ژمێریاری بەڕێوەبردن لەسەر بڕیارە بازرگانییەکان لە کۆمپانیاکانی دروستکردنی ئۆتۆمبێل لە هەولێر. 70 کرێکاری پێنج ئۆتۆمبێلی جیاواز لە دانیشتوانی توێژینەوەکە پێکدەهێنن. توێژینەوەکە بە سەرکەوتوویی بەشێکی زۆری ئەرکەکانی بەڕێوەبردنی ژمێریاری پۆلێن کرد بۆ تەنها چوار پۆلی سەرەکی. لەبەر ئەوە، ئێمە توانیمان گشتگیرتر و فراوانتر بکەین. هەروەها پێویستە ئەنجامەکان بە وریاییەوە لێک بدرێنەوە لەبەر ئەوەی توێژینەوەکە لەگەڵ تاکە کۆمپانیایەکی ئۆتۆمبێل ئەنجام دراوە (یەکێکیان دەکەوێتە هەولێر، باکوری عێراق).

ئاماری وەسفکراو بەکارهێنرا بۆ هەڵسەنگاندنی داتا و (شیکاری دیمۆگرافی). وەشانی 25ی زانستی کۆمەڵایەتی (SPSS) بۆ شیکردنەوەی داتاکان بەکارهێنرا.

وشە سەرەکییەکان: کۆی گشتی بەڕێوەبردنی کوالیتی- سوودی پێشبڕکێکار - ڕێکخراوەکانی بانک

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Table of Contents

LIST OF TABLES

LIST OF FIGURE

CHAPTER ONE

INTRODUCTION

1.1 INTRODUCTION

Accounting is one of the key pillars of an organization be it in the private or public sector. The importance of accounting is attached to a number of aspects and uses, and there are various ideas which contends that it is vital for a lot of reasons. For instance, Azadnia, Saman and Wong (2015) consider that accounting provides certain kind of information that is needed to make rational business decisions. Abubakar et al. (2017) highlighted that more detailed information about business operations and status is easily revealed through the use of accounting information. However, accounting information is composed of several different types of information ranging from costing to managerial accounting. Much of the attention is increasingly being devoted to the study of managerial accounting (Azudin & Mansor, 2018; Boučková, 2015; Chia, 1995; Dávila, 2019).

Meanwhile, there is a strong positive interaction that exist between the use of accounting information and decision making (Ada & Ghaffarzadeh, 2015). This is because the quality of decisions made by firms relies on the nature and quality of information available. Such information provides a detailed description of activities that have taken place in the organization. This also includes the operational capacity and financial position of the firm (Bobrysev et al., 2015). This is important especially on the condition that the level of competition being faced by firms in contemporary business situations has greatly evolved (Boučková, 2015). This puts firms under great pressure to make good decisions that will help to sustain operations and deal with competitive pressure. This is mostly true especially in the car companies and financial sectors around the world (Bromwich & Scapens, 2016). In Northern Iraq, the car companies industry plays a vital role of sustaining economic and financial development and growth. Thus, the quality of decisions made by firms is important not only for sustaining operations but for providing other benefits that are pivotal for social and economic development. This shows how important for firms to have the necessary kind and quality of information so as to make rational decisions.

However, different managerial accounting principles can effectively apply in certain circumstances and fail to hold in other circumstances. Hence, it is always important to examine the implications of economic or business circumstances in any economic context such as Northern Iraq. Consequently, this study is linked to the examination of the roles of management accounting in decision making with special focus on car companies in Northern Iraq.

It is important to note that the decision making is one of the most important aspect of a business organization. The importance of decision making is attached to a number of key aspects. For instance, Butterfield (2016) contends that decision making enables the organization to achieve its goals.

To be specific linked the importance of decision making with the ability to attain and enhance sound performance. In another study by Garrison et al., (2010), it was established that decision making enables the firm to counter the effects of competitive pressure and thus enabling the firm to survive. It is undeniable that the importance of decision making is evident in a number of areas such as increasing market share (Socea, 2012), for growth purposes (Hilton & Platt, 2013), maximizing shareholder value (Horngren et al., 2010) etc.

Meanwhile, the importance of decision making cannot be undermined in any circumstance. That is, decision making is vital for any organization whether small or large firm, private or public companies. One of the key areas that is taking toll in decision making is in the car companies industry. This is because the car companies' industry is necessitating a lot of positive developments in a number of areas (Hilton & Platt, 2013).

Such areas include the financial sector which has service such as E-banking being developed. This development of E-banking also stirred the development and growth of shopping. These notable developments and other positive contributions of the car companies reinforce the importance of decisions that have been made by car companies. As result, it is worthy to note that decision making is vital for the development of new and better goods and services.

On the other hand, the major challenge that has been undermining the development and growth of the car companies' industry is high and rising operational costs. It is presumed that operational costs incurred by car companies can consume more than 20% of the earned revenue (Nekrasova, Leventsov & Axionova, 2015).

If such costs are not controlled or kept within reasonable limits, then the development of innovative products and services will be restricted. Studies have been placed towards examining ways that can be used to curb the high rising operational costs (Garrison et al., 2010; Hilton & Platt, 2013). One of the most widely advocated solution involves the use of management accounting (Butterfiled, 2016).

However, little has been done to examine the role of management accounting in decision making. This study therefore seeks to examine the roles of management accounting in decision making with regards to car companies.

1.2 Research problem

One of the key issues surrounding the use of management accounting in decision making revolves around the idea that it centers on the financial aspects of the firm (Chia, 1995; Socea, 2012). This entails that management accounting specifically focuses of controlling measurable financial aspects of the company. Therefore, the major problem is that it restricts the use of management accounting to measurable financial aspects of the company.

Hence, making it difficult to apply the concept of management accounting in decision making. However, a notable number of studies have reaffirmed the idea that management accounting can be applied in any sector or industry such as the car companies' industry (Horngre et al., 2010; Wall & Greiling, 2011). The second problem is therefore linked to the idea that the role of management accounting has not yet been fully explored with regards to car companies. It is, therefore, not clear as to whether management accounting will continue to play the same roles of collecting, process and providing quality information.

1.3 Research objectives

The main objective of the study is to examine the roles of management accounting in the decision making of car companies. The study also seeks to attain the following objectives;

1. To determine the usefulness of management accounting information in the decision-makingprocess of car companies.
2. To examine ways that can be used to enhance the effective use of management accountinginformation in making decisions by car companies.

1.4 Research questions

Given the above-mentioned objectives, the study therefore seeks to provide answers to the following questions;

3. What are the roles of management accounting in the decision making of car companies?
4. What is the usefulness of management accounting information in the decision-making process of car companies?
5. What can be used to enhance the effective use of management accounting information in making decisions by car companies?

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter places focusing on reviewing detailed insights about the underlying study concepts together with the theoretical underpinnings. The chapter also analyses related literature.

2.2 Meaning of management accounting

Defining terms has been and still continues to be a major issue in research. This is mainly because there are various ways of defining words and concepts. As such, similar problems can be encountered with respect to the concept of management accounting (Scapens, 1991).

Scapens contends that there are certain definitions that are too broad and do not offer an appropriate description of the underlying matter. One of the reasons is that concepts and/or ideas are always subject to change in responses to changes in dynamic situations (Azudin & Mansor, 2018).

Basically, management accounting is defined as the process through which financial information is obtained, measured, analyzed, prepared, interpreted and passed by managers so as to assist in the planning, evaluation and controlling of organizational activities in a manner that enhances the use of organizational resources (Institute of Management Accountants (IMA), IMA, 1981, p. 1).

On the other hand, management accounting is also defined as an organizational strategy that is aimed at enhancing organizational value by improving the use of organizational resources by dealing with competitive and dynamic organizational situations (Chartered Institute of Management Accounting (CIMA), 2005).

Irrespective of the definition one may opt to use, the basic concept that can be deduced from the two definitions is that management accounting plays a key role is the management of organizational resources. The context under which decisions are made by an organization always change. Thus, management accounting can be a chief tool which organizations can use to deal with organizational, market and environmental change. Apart from this, the importance of management accounting is attached to the effective and efficient use of organizational resources (Hoozée & Mitchell, 2018).

A detailed and more descriptive examination of the concept of management accounting can initially be made by looking at its prime focus and importance. Foremost, Martin et al. (2015) reckon that the main emphasis of management accounting is to furnish businesses with information. Such information can be used by managers at any level of the organization. The need for information is based on the argument that organizational efficiency is enhanced on the premise of good information provided through management account (Litvaj & Stancekova, (2015). Hence, the prime aim of management accounting can thus be said to furnish managers with information needed to boost organizational efficiency. However, the idea is not just in the provision of information because the information also needs to be presented in a manner that makes it feasible and swift for managers to make decisions. This is because such information needs to be reviewed and presented to managers, shareholders and other stakeholders so as to make decisions that govern the success of the organization.

Secondly, a study by Li (2017) established that management accounting is important because it facilitates the analysis of causes and effects between two or more variables. That is, to depict the relationship between two or more corporate variables and how such variables affect each other. Though the profit and loss often provide information or details about the operational activities of the business, it does not give a good indication of which business variables or outcomes had an effect on the other variables. As a result, the use of management accounting allows business to build models and methods that can be used to depict and analyse such relationships.

Hosomi, Scarbrough and Ueno (2017) established that accounting information can sometimes fail to give detailed information when presented in an ordinary form. Hence, management accounting enables firms to obtain the necessary details and insights by using special concepts and techniques. Examples of such methods include control accounting, project appraisal, marginal costing, budgetary control, standard costing, and financial planning and analyses.

Hilton and Platt (2013) reiterated that the use and importance of management accounting in business can never be detached from decision making. This implies that there is an inseparable positive bond that between the roles of management accounting and decision making. Meani9ng that business decisions are based on the availability and use of management accounting systems.

Granlund, and Lukka (2017) noted that the difference between management accounting and ordinary accounting information is highly evident though both are based on the use of relatively similar information. As a result, management accounting can be said to lack fixed norms when being used to analyses financial information. However, differences in application and results obtained will always be different between the two. This is because the effective use of management accounting relies significantly on the concern as well as the skills and qualification of the management accountant involved.

Garrisson et al. (2010) managed to establish that management accounting is vital for forecasting which is another important because activity. This is because the importance of forecasting is highly evident around the world as companies are increasingly being faced by significant levels of competition (Dávila, 2019). Thus, the ability to handle such competitive pressure requires

firms to be in a good position to use the various types of forecasting tools that are availed through management accounting.

Irrespective of the existence of positive gains or attributes of management accounting in business, it also suffers from a given outline of limitations. For instance, a study byButterfield (2016) highlighted that the main challenge is that management accounting is theproblem of lack of accounting records. Meaning that the results of management accounting examinations and analysis will remain reliable and high on the verge that the records remain totally accurate. Thus, incorrect records can cause the entire management accounting process to produce inaccurate reports.

Moreover, management still plays an important role in business organization irrespective of the fact that it is used for making decisions in business. Thus, management accounting can be said to be a tool that is used to manage businesses in different parts of the country or sectors of the economy.

On the other hand, it is also important to note that management accounting is just an instrument which is used to make decisions. The final decision rests with managers who are entitled to make decisions and hence can be said not to be a replacement of management (Martin et al., 2015). Moreover, there are other costs that are tied to the adoption and implementation of management accounting practices. Such costs can prove to be expensive and can offset the gains made by the company (Chan, 2002). Azudin and Mansor (2018) highlighted that management accounting is bound to suffer from biases which can affect the reliability of processed information. There are also concerns suggesting that management accounting is characterized by psychological resistance (Phadoongsitthi, 2003). This is the adoption of management accounting requires that new systems and procedures be implemented. Of which employees may not be comfortable with the implementation of new changes and hence can be resentful most of the times.

2.3 The role and development of management accounting

The role of management accounting has of late being restricted to measuring the amount of resources used by the organization (Laine et al., 2017). Williams also contends that management accounting was also designed to manage organizational resources. All these two roles of management accounting were specifically designed in such a way that organizations would benefit through improved productivity.

This was accompanied by measures put in place to enhance efficiency as other significant roles of management accounting (Bobryshev et al., 2015). The development of management accounting was mainly necessitated by the need to improve internal activities and process in a way that contributed towards enhancing organizational performance. Hence, management accounting was specifically focused on the use of accounting information in such a way that changes input organization, resource consumption and production output.

Meanwhile, there are other ideas which suggest that management accounting involves the uses financial and non-financial information by managers to make important decisions (Maas, Schaltegger, & Crutzen, 2016). Hence, managers can be said to rely a lot on management accounting to make ration al decisions. This shows that there is a strong link between management accounting and decision making. This relationship has of long being said to exist as both the formulation of business strategies is believed to be based on the availability of processed information (Granlund & Lukka, 2017). Ideas by Zhang and MinSi (2017) also suggest that management account ting is involved in a lot of organizational activities. This means that management account t is a broad subject that covers and influence a number of organizational activities and process.

The role of management accounting can also be traced to the use of management accounting to develop and evaluate strategies (Zyznarska- Dworczak, 2018). In other words, organizational strategies are developed and evaluated using information provided by organizational managers. Such strategies are either market development, growth, survival or sustainability.

Not only does management accounting assist in decision making but they also help in implementing and evaluating decisions made. This is because management accounting sets standards which managers and other employees are encouraged to attain or surpass.

In order for management accounting to fulfil its purposes, it must be structured in a systematically arranged or predetermined way. For instance, the International Federation of Accountants (IFAC) contends that a customer- based and internal views of management accounting be used to structure management accounting activities (IFAC, 1998).

2.4 Management accounting and the management process

One of the key areas that is strongly attached or connected to management accounting is management in its broad sense. Though management is general and management accounting is specific, they both share common management aspects. Management is defined as a way of achieving organizational goals through people (Otley, 2016).

The achievement of goals requires that managers develop strategic measures that will highlight specific details on how such goals are to be attained. On the other hand, management accounting involves the use of financial or accounting information to manage people and resources in an effective way that will help the company achieve its goals.

Management accounting can thus relate with management process as employees’ activities, organizational structure, common values and goals are realigned together to deal with organizational changes (Azudin & Mansor, 2018). Thus, management can be said to be composed of the following features;

- Using controls that will assist the organizations to accomplish the stated goals.
- Making sure that employees are well committed towards
- making sure that the organization achieves it goals.
- Management accounting can also be defined as an essential part of the management that is done so as to make sure that the resources of an organization are being put to effective use:
- Continuing surviving and achieving goals by using appropriate strategies, establishing strategy mixes that support organizational objectives;
- Making sure that the organization has the desired organizational capabilities and strategies to realis the stated goals.
- Negotiating the strategy and capability change necessary to secure ongoing organizational success and survival (Trucco, 2015).

However, it is important to note that management accounting can be said to focus on ensuring that the organization functions proactively and responding creatively (Richardson, 2017). This is done so as to aid in dealing with changes affecting the organization and maintaining high organizational value. This move usually requires that the management functions be assessed in terms of effectiveness and efficiency.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

In this section, we provide the specific methods we used to do this research. As such, it focuses on the methodology used and the data collection tools employed in the study. It also describes the study's demographic and sampling procedures. This comprises the methods used to collect data, organize it, display it, and assess its validity and dependability. In addition, the research's limits and solutions are outlined so that readers may make an informed decision about whether or not to proceed with the study.

3.2 Research Design

The primary focus of the study was to restrict and reorganize extensive research issues via the use of a quantitative research strategy (Mujis, 2010). The use of numerical data to quantify a research topic is at the heart of the quantitative research design (Mugenda, 1999).

This research followed such a layout since doing so would allow for the gathering of crucial data for effective managerial decision-making (Vogt, 2007). The ability to test the statistical significance of the model's variables also contributed to the study's credibility.

Dörnyei (2007) also argues that a quantitative research approach is preferable since it lessens the possibility of mistakes. Five car dealerships in Erbil, Northern Iraq, provided the study's core data.

Descriptive statistics were used to assess the data, and (Demographic Analysis). Statistical Package for the Social Sciences (SPSS) version 25 was used to analyze the data.

3.3 Population and Sampling

1. The study's foundation will be an analysis of how management accounting influences business decisions at Erbil-based automakers.
2. Seventy workers from five different automakers will make up the research population.
3. With the broad implications for management accounting's influence on automotive companies' decision-making, this is veryimportant (Cooper, Schindler & Sun, 2006).

3.4 Limitation of the Study

The research successfully classified a large fraction of the many functions of management accounting into just four major categories. Because of this, we were able to make more comprehensive and far-reaching generalizations. The results should also be interpreted with caution since the research was conducted with a single Automobile company in mind (one situated in Erbil, North Iraq).

CHAPTER FOUR

RESULTS

4.1 Response Rate

The researcher administered 80 questionnaires to the respondents and 70 of them were returned July filled. This translated to 83% return tate. The information is presented in Table 4.1

Table 4. 1:

Respondent	Issued	Received	Not Received	Total	Percentage%
	80	70	10	80	94%

4.2 Descriptive Statics

Table 4. 2: Descriptive Statics

	N	Mean	Std. Deviation
DM	70	3.825	0.494
Collecting Information	70	3.837	0.387
PI	70	3.872	0.479
quality of management accounting reports	70	3.893	0.448
Valid N (leastwise)	70		

The PI variable had the highest mean among the variables, which suggests that it is more successful in enhancing Management accounting efforts. Following this are DM and CI, with means of 3.825 and 3.837, respectively, and quality of management accounting reports, with a mean of 3.893. Instead, it may be claimed that the respondents strongly believe that DM aspects significantly improve management accounting efficacy. The variable DM, which has a high standard deviation of 0.494, is linked to strong variation effects. This suggests that it is more likely to alter when techniques that target it are used.

4.3 Demographic analysis

4.3.1 Firm Names

Table 4. 3: Trade name of the car companies

	Trade Name	Count	Percent
Valid Values	Ford	14	20.0%
	Gelly	14	20.0%
	KIA	14	20.0%
	Nissan	14	20.0%
	Toyota	14	20.0%
	Total	70	100%

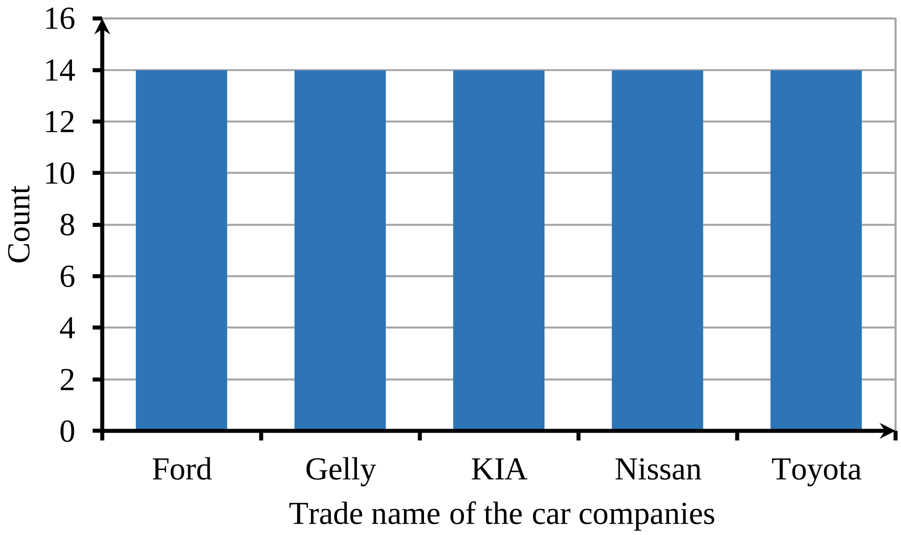

Figure 4. 1: Firm Name

The above Table shows that 20.0% of the respondents were ford company While the Kia company same the ford company that 20.0% The rest of the companies own 70%. and the total is 100%.

4.3.2 Experience of work

Table 4. 4: Experience of work

Experience	Frequency	Percentage	Cum. percentage
10 to 15	11	15.7%	15.7%
6 to 10	26	37.1%	32.2%
Less than 5	23	32.9%	29.8%
Over 10	1	1.4%	1.3%
Over 15	9	12.9%	10.0%
Total	70	100%	89%

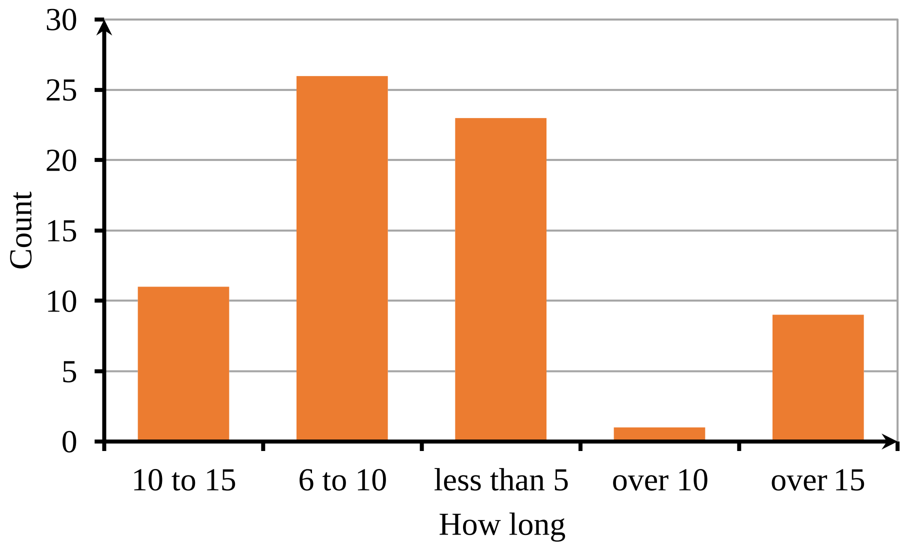

Figure 4. 2: Experience of work

The Table above shows that The ratio of 10 to 15 was 15.7%, and this is a confirmed possibility according to the reports shown, and that the ratio of 6 to 10 was 37.1%, according to what is shown in the table above, and the remaining percentage is 32.2%, and the total is 100%.

4.3.3 Gender

Table 4. 5: Distribution of respondents by Gender

Gender	Frequency	Percentage	Cum. percentage
Male	44	62.9%	64%
Female	26	37.1%	39%
Total	70	100%	

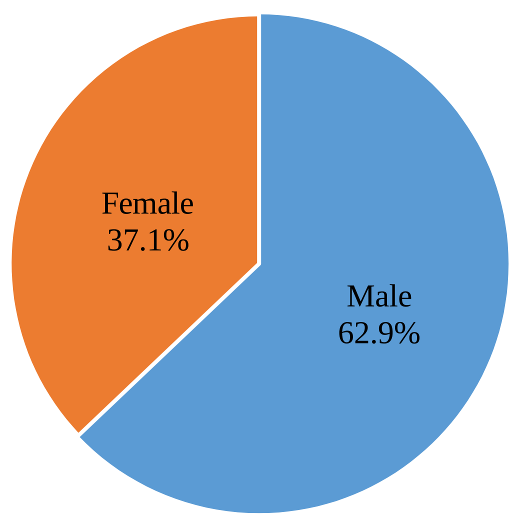

Figure 4. 3: Gender

The demographic details revealed that 37.1% of the employees were female and this was against a total of 62.9% of male employees.

4.3.4 Educational qualification

Table 4. 6: indicate Educational qualification

Highest qualification	Frequency	Percentage	Cum. percentage
BSc/BA	61	87.1%	87.1%
MSc/MA	9	12.9%	12.9%
Total	70	100%	100%

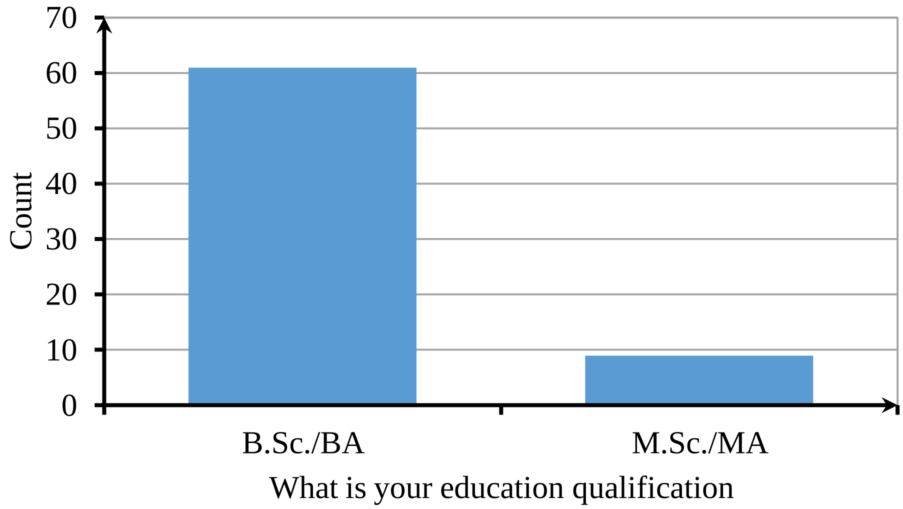

Figure 4. 4: education qualification

The Table above shows the highest academic qualification where 12.9% of the respondents were

certificate holders, 87.1% were diploma holders and worrying 100% were master's holders. This shows that most of work in retail outlet is manual work which requires less academic qualifications.

4.3.5 Departments of work

Table 4. 7: work location

Work arranged	Frequency	Percentage	Cum. percentage
Account-an	11	15.7%	15.7%
Administration	11	15.7%	16.3%
HR	5	7.1%	6.1%
IT	8	11.4%	12.9%
Service	10	14.3%	15.0%
Show room	25	35.7%	30.0%
Total	70	100%	96%

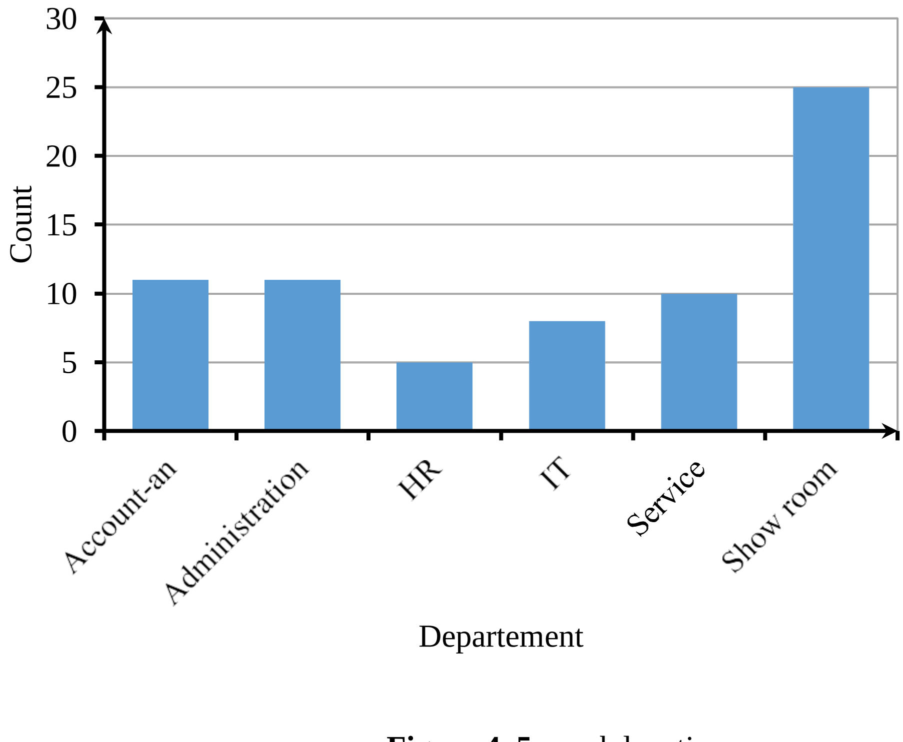

Figure 4. 5: work location

The Table above shows that The accounting employee occupies 15.7% of the work, the same thing, the administration employee also occupies 15.7%, unlike the rest of the employees, for example, the HR employee occupies 7.1%, and also 6.1%, and the final total is 96%.

3.1 Reliability tests

Reliability test was done using Cronbach's alpha to determine the variables' internal consistency with regards to decision making. That is, the extent to which they help explain variations in decision making.

Table 6:

Reliability tests

Variable	Cronbach's alpha	Decision
Decision making	0.735	Highly reliable
collecting information	0.712	Highly reliable
quality of management accounting reports	0.720	Highly reliable
processing information	0.845	Totally reliable
communicating information	0.804	Totally reliable

The established results show that all the alpha values are above 0.70 and this means that all the variables have high internal consistencies. In other words, management accounting variables can be said to be highly reliable when used to explain the roles they play in decision making

CHAPTER FIVE

DISCUSSES AND RECOMMENDATION

5.1 Conclusions, Recommendation and Suggestions for Future Studies

The study sought to examine the roles of management accounting in the decision making of car companies. The study also sought to determine the usefulness of management accounting information in the decision-making process of car companies. This also included findings ways that can be used to enhance the effective use of management accounting information in making decisions by car companies.

The results showed that there was a high agreement among the employees that financial information is mainly important for directing and controlling performance. It was also noted that there is a significant variation in the use of financial information among the car companies. As such, financial information is used for assessing the competitive position of the firm, allocating resources, developing long terms strategies and goals, planning goals and objectives, motivating employees to work towards achieving organizational goals. This entails that financial information is used for quite a number of purposes and such purposes vary in significance according to the activities of each department.

It can be concluded that all the management accounting variables are positively correlated with each other. Thus, an improvement in one of the management accounting variables will result in an improvement in the other variables.

In addition, there are positive correlations between management accounting variables (collecting information, processing information, quality of management accounting reports, and communicating information) and decision making. However, producing high-quality reports is highly determined by the ability of the company to collect more and reliable information. On the other hand, the processing of information is highly dependent on the effectiveness of the company's information systems and less dependent on the communication of information which is the ultimate task.

The obtained results are in agreement with the existing literature concerning the role of management accounting with respect to collect information. The idea is that a high availability of information enhances an organization's ability to make rational decisions. On the other hand, an increase in the amount of time and processing activities that need to be processed results in a decrease in the decision-making abilities of the car companies.

A related study has shown that this is because of increased time taken to process information and reports due to system failures, conflicts, long chain of commands etc., (Alqashi, 2003). Moreover, an improvement in the communication information results in a significant improvement in the decision-making abilities of the car companies. This stems from the fact that providing managers with the required information enhances their decision-making abilities.

In overall, the results show that management accounting has a significant impact on the decision making of car companies. This is evidenced by a relatively high R-squared and a significant F-statistics. Hence, we can conclude that management accounting plays a vital role in decision making.

5.2 Recommendation

Recommendations were made based on the established results. As such, the following propositions were made;

There is greater need to enhance the collection of information through the use of primary data sources such as surveys, data bases and other sources of information.

Much effort should be placed towards providing more information to managers about the newly adopted ways of reporting financial information. this will assist in ensuring that the quality of management accounting reports does not compromise the decision-making process.

Effective communication channels are needed to smoothen the communication of information within the car companies. This also include removing barriers that hinder communication.

5.3 Suggestions for future studies

This study uses data that is drawn from car companies and hence the resultsof this study can only be generalized to car companies. Future studies can make a comparison between car companies and other companies so as to enhance the applicability of the findings.

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Section I
Personal details

Tick as you see appropriate (√).

1. Gender?

□ Male

□ Single

2. Marital status?

□ Female

□ Married

3. What is your age group?

□ 18-25 years

□ 26-33 years

□ 42 years and above

□ 34-41 years

4. What is your educational qualification?

□ Diploma

□ BSc/BA

□ MSc/MA

□ PhD

5. Where is your work based?

□ Head office □ Branch office

6. How long have you been working for the company?

□ 1-5 years □ 6-10 years

□ 11-15 years □ 16 years and above

7. What is y0our managerial level?

□ Junior manager

□ Middle manager

□ Senior manager

8. Do your reports contain financial information at work?

□ No

□ Yes

9. How often in general do you use reports containing financial information at work?

□ Monthly □ Quarterly □ Semi-annually □ Yearly

Section II: Informative section

This section seeks to acquire details about your perception towards the role of management accounting in decision making. Kindly provide your answers based on rating of 1-5 which corresponds to the following

I completely disagree	I disagree	neutral	I agree	I completely agree
1	2	3	4	5

.)√(Tick as you see appropriate

	Use of financial information	1	2	3	4	5
10	Developing long strategies and plans					
11	Assessing the competitive position of the firm					
12	Motivating employees to work towards achieving organisational goals					
13	Allocatina resources					
14	Planning goals and obiectives					
15	Directing and controlling performance					

This part seeks to acquire details about your perception towards the role of management accounting in preparing quality reports. Kindly provide your answers based on rating of 1-5 which corresponds to the following

Very important	Somewhat important	Not important	Not at all important
1	2	3	4

Tick as you see appropriate (V).

	Quality of management accounting reports	1	2	3	4
16	It is possible that I will use the information containedin the reports				
17	I am happy with the way management accountingreports are being prepared				
18	I depend on the accuracy of the published reports				
19	The information provided is up to date				
20	The required information is easily and readily available				
21	The reports are easily comprehensible				
22	The reports are clear				
23	The information contained in the reports is adequate				